

AIRTEL - AIRMAIL
/////

3/1/57

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To: DIRECTOR, FBI

From: SAC, OMAHA (122-41)

LEW FARRELL;
RICHARD KAVENOR;
PETE CAPELLUPO
LMRA (IM)

Re Buairtel 2/25/57 and Omaha letter 2/19/57.

Pursuant to instructions in reairtel, separate cases have been opened based on information set forth in re Omaha letter, titles to which are as follows:

- (1) CASSON'S MARKET, INC., Des Moines, Iowa;
ALFONSO "BABE" BISIGNANO, President;
RICHARD KAVENOR;
PETE CAPELLUPO
LMRA (IM)
- (2) BEATRICE FOODS COMPANY, Des Moines, Iowa;
CLYDE L. JOHNSON, Manager;
RICHARD KAVENOR
LMRA (IM)
- (3) MIDWEST BURLAP AND BAG COMPANY,
Des Moines, Iowa;
(FNU) [REDACTED]
PETE CAPELLUPO
LMRA (IM)
- (4) [REDACTED] Contractor,
Des Moines, Iowa;
PETE CAPELLUPO
LMRA (IM)

Instant case captioned as above being closed in the
Division.

RECORDED - 4
THORNTON

6 - Bureau (AIRMAIL)
5 - Omaha (122-41)

RCM: [REDACTED]
(11) MAR 7 - 1957

MAR 5 1957
EX-122

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FEDERAL BUREAU OF INVESTIGATION

UNITED STATES DEPARTMENT OF JUSTICE

AIR TEL - VIA AIR MAIL

Transmit the following ~~teletype~~ message to:

Mr. Tolson	_____
Mr. Nichols	_____
Mr. Boardman	_____
Mr. Belmont	_____
Mr. Mohr	_____
Mr. Parsons	_____
Mr. Rosen	_____
Mr. Tamm	_____
Mr. Trotter	_____
Mr. Nease	_____
Tele. Room	_____
Mr. Holloman	_____
Miss Gandy	_____

TO: DIRECTOR, FBI

FROM: SAC, OMAHA (122-44)

DATE: 3/7/57

RE: CHANGED
MIDWEST BURLAP AND BAG CO., Des Moines, Iowa;

PETE CAPELLUPO
LMRA (IM)

Re Buairtel dated 2/25/57 and OM airtel dated 3/1/57, both entitled, "LEW FARRELL; RICHARD KAVENOR; PETE CAPELLUPO - LMRA (IM)."

The title is marked "Changed" to add the names of [redacted] Midwest Burlap and Bag Co., Des Moines, Iowa, and [redacted] Midwest Burlap Bag Co., Des Moines, Iowa.

Investigation to date has developed that [redacted] of Midwest Burlap and Bag Co., is in Minneapolis, Minn., with his attorney concerning a labor matter and has with him all the company records, telegrams and office memos relating to the company contract with Local 10, which contract is the one involved in this inquiry. He will not be available for interview until 3/11/57. [redacted] of the company, on interview, furnished some background data on the signing and negotiation of the contract but was unable to fix dates and number of meetings without file. He denied payment to any person, particularly KAVENOR, CAPELLUPO, or LEW FARRELL, in connection with this contract. Further inquiry is not believed advisable until [redacted] is interviewed at which time it will only be possible to outline further investigation necessary. [redacted] will be contacted and remaining investigation expedited.

UACB, report will not be submitted in this case until after [redacted] has been interviewed.

Mr. Rosen

SE-32

4 MAR 8 1957

3-Bureau (Air Mail)
2-Omaha (122-44)

RWM:asm MAR 15 1957
(5) 148

RECORDED-93

Approved: [Signature] Special Agent in Charge

Sent [Signature] M Per [Signature]

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TO: DIRECTOR, FBI 3/5/57

RE: CASSON'S MARKET, INC.,
Des Moines, Iowa;

Re Omaha Airtel 3/1/57 entitled "LEW FARRELL; RICHARD KAVENOR; PETE CAPELLUPO, LIRA (IM)" which set forth titles to four cases opened on the basis of the original complaint as set forth in Omaha Airtel 2/19/57 bearing same caption.

Investigation to date in nature of exploratory inquiry attempting to develop extent and nature of any criminal violation and relationship, if any, between each of the four cases referred to in reAirtel. In this regard, information developed to date indicates interviews may be desirable with the following Union officials who reportedly can furnish information bearing on one or more of these cases. Details of information allegedly available by these officials unknown to date, but in view of their position and comments made by these officials to [redacted] original complainant in this matter, Bureau authority requested to interview following:

Warehousemen Inside Workers;
[redacted], Polk County Labor Council;
[redacted] Business Agent, Local 387, Dairy,
Ice Cream, Laundry and Dry Cleaners, all of Des Moines, Ia.

Specific info known to be in possession of above officials as follows: [redacted] alleged to have first-hand knowledge of case involving Casson's Market and dealings between that Company

- 5- Bureau (Air Mail)
6- Omaha (122-42)
(1- 122-43
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122-45)

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and subjects KAVENOR and CAPELLUPO. [redacted] alleged to be individual to whom CLYDE L. JOHNSON, Manager, Beatrice Foods, made threat re LEW FARRELL. TURK, in view of his position, is allegedly in receipt of numerous complaints from Business Agents in Des Moines re activities of FARRELL and associates in labor field.

The original and one copy of this Airtel are being furnished to the Bureau for captioned file and one copy is being forwarded for each of the following Bureau files:

BEATRICE FOODS COMPANY, Des Moines, Iowa;
CLYDE L. JOHNSON, Manager;
RICHARD KAVENOR
LMRA (IM)

MIDWEST BURLAP AND BAG COMPANY,
Des Moines, Iowa:
(FNU) [redacted]
PETE CAPELLUPO
LMRA (IM)

[redacted]
Des Moines, Iowa;
PETE CAPELLUPO
LMRA (IM)

THORNTON

FEDERAL BUREAU OF INVESTIGATION

Reporting Office: OMAHA	Office of Origin: OMAHA	Date: 3/21/57	Investigative Period: 2/14; 3/1, 2, 4-6, 11/57
TITLE OF CASE: CHANGED MIDWEST BURLAP AND BAG COMPANY, Des Moines, Iowa;		Report made by: ROY W. MEADOWS	Typed By: mas
CHARACTER OF CASE: LABOR MANAGEMENT RELATIONS ACT, 1947 (INVESTIGATIVE MATTER)		SEE REVERSE SIDE FOR ADD. DISSEMINATION.	
Synopsis: Louis Fratto, Lew Farrell			

Confidential Informant Omaha T-1 advised he believed LEW FARRELL, FBI #1194703, characterized by T-1 as a racketeer, was associated with RICHARD KAVNER, Regional Director, Central Conference of Teamsters Union, and PETE CAPELLUPO, Business Agent of Local 10, in a conspiracy to prevent legitimate union dealings between employer and employee in the Des Moines area. T-1 advised further that FARRELL had been active in signing up employees of the Midwest Burlap and Bag Company as members of Local 10 International Brotherhood of Teamsters, Chauffeurs, Warehousemen and Helpers of America, AFL-CIO. T-1 also advised said Local is alleged to have entered into a labor contract with Midwest Burlap and Bag Company on 9/3/56 (Labor Day), which contract is described as a "sweetheart contract" which reportedly is favorable to employer.

and [redacted] Midwest Burlap and Bag Company, stated that [redacted] was contacted by RICHARD KAVNER, possibly accompanied on the original contact by PETE CAPELLUPO who was present on other contacts, in March, April or May, 1956, at which time KAVNER advised they had

Approved: <i>[Signature]</i>	Special Agent in Charge:	Do not write in spaces below
Copies made: ENCLOSURE 2 - Bureau (Encls. 2) 1 - USA, Des Moines (Encl. 1) 2 - Minneapolis 2 - Omaha, (122-44) 1cc RAB with 1cc of encl. RCH		<div>92 - 2064 - 3 SE 12</div> <div>RECORDED-82</div> <div>INDEXED-82</div>

60 APR 12 1957

AGENCY - [redacted]
REQ. REC'D 8-28-57
REP'T FORW. 9-8-57
BY [redacted]

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organized the plant. Subsequent discussions between KAVNER, and CAPELLUPO, and the [] resulted in an oral agreement in August, 1956, that the union would be recognized as the bargaining agent for the employees when the company moved to its new quarters, then under construction, but contract would be effective 2/1/57. The [] accepted statement of KAVNER and CAPELLUPO that plant organized and did not demand an election to determine same. Contract bears date 9/3/56 with wage increase effective 2/1/57. Contract signed by [] and CAPELLUPO, not on 9/3/56 but on unrecalled date in 1/57. Wage increases granted are five cents per hour on hourly employees and two dollars per week for drivers. [] and [] do not consider contract a "sweetheart contract" and maintain that they were paying average wages for industry prior to contract. Schedule of wages in effect prior to contract set out. Denied payment to any persons in connection with this contract. KAVNER believed to reside St. Louis, Mo. CAPELLUPO resides 2108 Poppleton St., Omaha, Nebraska, and is employed as Business Representative, Local 659, Teamsters, Omaha, Nebr., and #608, Teamsters, Lincoln, Nebr. Arrested Omaha 12/10/38, charged with [] in connection with truck strike and at that time was carrying a weapon. Inquiry, Omaha, developed that Local 10 is operating under a Teamsters charter from St. Louis, Mo., but is a miscellaneous union which might organize employees in number of different unrelated trades. [] Representatives of Local 10, currently attempting to organize Haulaway, Inc., Omaha. [] considered a local strong-arm man by confidential source of Omaha PD. CAUTION SHOULD BE USED IN ANY CONTACT WITH SUBJECT CAPELLUPO DUE TO FACT HE WAS ARMED IN 1938 WHEN HE WAS ARRESTED.

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DETAILS:

The title of this case is being marked "CHANGED" to disclose the full name of PETER C. CAPELLUPO and to add the subjects RICHARD KAVNER and LEW FARRELL, FBI #1194703, as investigation has developed that CAPELLUPO and KAVNER negotiated the contract with the Midwest Burlap and Bag Company and LEW FARRELL is alleged to have participated in it. The case was formerly carried as "MIDWEST BURLAP AND BAG COMPANY, Des Moines, Iowa; [REDACTED]

[REDACTED] PETE CAPELLUPO-
LMRA (IM)."

On February 14, 1957, Confidential Informant Omaha T-1, who has furnished reliable information in the past, advised SA [REDACTED] that he had been acquainted with labor activities in the Des Moines area for a period of [REDACTED]. He stated that information had come to his attention making him believe that LEW FARRELL, whom he described as a racketeer, was associated with RICHARD KAVNER, whom he described as Regional Director of the Central Conference of Teamsters in Iowa, and PETE CAPELLUPO, Business Agent of Teamsters Local 10, in a conspiracy to prevent legitimate union dealings between employers and employees in the Des Moines area. He stated that from information coming to his attention, he was of the conclusion that employers involved must be making illegal payments to FARRELL, KAVNER and CAPELLUPO in connection with labor activities. He was unable to furnish any information indicating that payments had been made. OM T-1 furnished the following information concerning the Midwest Burlap and Bag Company in addition to other matters wherein he believed LEW FARRELL had participated. OM T-1 advised that the Midwest Burlap and Bag Company of Des Moines, Iowa, was a wholly-owned family firm operated by the [REDACTED] family and that there had been a report that no Des Moines union could organize the company but that the company allegedly now has a contract with Teamsters Local 10 of Omaha, Nebraska, which was reportedly signed on September 3, 1955. According

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to OM T-1, September 3, 1956, would be Labor Day and he stated that it was a commonly recognized practice by unions that such was a holiday and that a labor contract would not be entered into on that date. He believed that the contract had been signed long after the date of September 3, 1956, and that it had been predated for personal reasons. He also stated that it was his understanding that subject FARRELL had been at the company and had personally been active in signing up employees of the Midwest Burlap and Bag Company as members of Local 10.

Omaha T-1 also stated that it was his understanding that the contract given to Midwest Burlap and Bag Company by Local 10 was known as a "Sweetheart Contract" wherein the terms were most advantageous to the employer but still gave the employer protection from the legitimate union activities because of the existence of a prior contract.

OM T-1 was recontacted on March 4, 1957, by SA [redacted] and SA ROY W. MEADOWS and he was unable to enlarge upon the previous remarks.

On March 5, 1957, [redacted] of the Midwest Burlap and Bag Company, was contacted at [redacted] 1401 Thomasbeck Road, Des Moines, Iowa, by SA [redacted] and SA ROY W. MEADOWS.

[redacted] advised that the ownership of the Midwest Burlap and Bag Company was entirely within the [redacted] family; the officers being [redacted] of [redacted] who are [redacted] and [redacted] respectively.

The Midwest Burlap and Bag Company is the producer of new bags sold to feed and produce as well as automotive companys and processors of used bags that are sold to like sources.

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Further in this regard, new burlap is cut into bags and bags manufactured by the company, whereas in the Used Bag Department, used bags are secured from rural elevators, returned to Des Moines where they are reprocessed, and then resold to the above-type industry.

[redacted] stated that at that time [redacted] was not available but that he would furnish all information in his possession concerning the negotiations with representatives of Local 10 of Omaha, Nebraska.

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[redacted] stated that the Textile Workers Union had been unsuccessful in an effort to organize the plant in 1951, and that [redacted] had observed and heard of union activities amongst their employees from that date until March or April and possibly May of 1956.

He stated it was his recollection that in either April or May of 1956, RICHARD KAVNER and PETE CAPELLUPO contacted [redacted] and during this contact, they informed [redacted] that Local 10 had organized the plant and desired to become the bargaining agent for the employees.

According to [redacted] represented himself to be a representative of the International Teamsters Union with jurisdiction over the Iowa territory, and informed the [redacted] that Local 10 had jurisdiction over the employees of that plant.

According to [redacted] there was subsequent discussion between RICHARD KAVNER and PETE CAPELLUPO with [redacted] concerning the organization of the employees and that the number of meetings between the [redacted] individuals could not be recalled by him, but he believed there were certain company telephone [redacted] records and telegrams that could be made available, indicating that negotiations

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In the way of background information concerning the final contract entered into between Local Number 10 and the Midwest Burlap and Bag Company, [redacted] pointed out that their [redacted] had left the company and was, in fact, involved in litigation with the company over employment matters, and, further, that the company was then in the process of occupying its new quarters on 1401 Thomasbeck Road and it was expected that the company might occupy the new premises sometime in September of 1955. Due to this litigation, further due to bag commitments in the fall of the year and the fact that they were to move, the [redacted] were desirous of having no labor difficulties during this period of time, so they were more acceptable to organization during this period of time than they might have been had they been established and their commitments taken care of. [redacted] stated that in the negotiations, the union agreed to allow them to continue to operate as they were until they occupied the new building and, at that date, the contract was to become effective on the date that they occupied the new premises. They were to recognize Local Number 10 as the bargaining agent for the employees and wage increases were to be granted as of February 1, 1957.

[redacted] produced a labor contract signed by himself on behalf of the company, and CAPELLUPO on behalf of Local Number 10, with the date of September 3, 1955. [redacted] stated that this contract was not signed on September 3, 1955, but actually signed on some unrecalled date in January of 1957, but was dated September 3, 1955, due to the fact that this was in conformity with the oral agreement, that they, the company, would recognize the union as the bargaining agent when they, the Midwest Burlap and Bag Company, occupied their new premises on Thomasbeck Road. It might be noted that this contract has a year renewal clause with the privilege of cancelling same any time within sixty days prior to September 3 of any year. It might be noted that the contract provides for a wage increase effective February 1, 1957, of five cents per hour for hourly employees, and two dollars per week for drivers.

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[] made available a copy of this contract with his signature and that of CAPELLUPO and same is being furnished to the Bureau with copies of this report.

[] stated that when KAVNER and CAPELLUPO made the statement that the plant had organized, he was not surprised at the organization due to the fact he stated he was aware of some union activity amongst the employees. He said although no employee election had been asked for by the [] they felt that they had fought unionization long enough and they might as well sign with Local 10. He stated that he did not feel it necessary to request an employee election to ascertain if Local 10 had a sufficient majority to act as bargaining agent for the employees of the plant.

He maintained that on one contact with KAVNER and CAPELLUPO, KAVNER displayed a group of cards, indicating to the [] that these were members of Local 10 employed in the plant; however, KAVNER never produced these cards for perusal so that it could be verified that they were actually membership cards of Midwest Burlap and Bag Company employees.

Concerning notification to the employees of the fact that the management of Midwest Burlap and Bag Company had entered into a contract with Local 10 as the bargaining agent for them, [] stated that no written notice was given these employees; however, sometime in January, each employee covered by the contract was called to the office and there told in the presence of another company employee, that the contract did exist and that they recommended the employee join Local 10. He stated that he could not give the date that these conferences were held with the employees but it was over a period of time and prior to the effective date of the wage increase of February 1, 1957. He stated that employees who desired to join Local 10 completed application cards and these were sent to Local 10 in Omaha. He stated that witnesses to these conferences with the employees would be [] He stated

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that either [] talked to each employee and either [] was present during the conference..

According to [] he is not aware of any organization of Local 10 in the plant as to officers such as Steward, President of the Union, Grievance Committee, etc., and stated that he felt it was up to the union representative to inform their membership of the contract and to set up their own union organization..

[] stated that at no time did he seek out RICHARD KAVNER or PETE CAPELLUPO in connection with the labor contract and maintained that there was a bonafide negotiation of wages and union representation between the four individuals before the final contract was signed. [] stated that he could not recall discussing this with any other sources outside the company and could not recall whether they consulted an attorney in connection with the plan of Local 10 to represent their employees.

He stated that Midwest Burlap and Bag Company of Missouri, now defunct, a company that operated for some time in Kansas City, Missouri, had a union contract with the Textile Workers in Kansas City, and that Midwest Burlap and Bag Company of Minnesota, which operated at 1716 First Street North, Minneapolis, Minnesota, for a time in 1952 and 1953, had a Union Contract with the Teamsters of that city. He stated he believed that this would show that the company had had labor contracts before but did state that there had been no unionization of the plant in Des Moines up until the recognition of Local 10.

[] stated that he has known LEW FARRELL for a number of years but that LEW FARRELL has no interest financial, personal or otherwise in the Midwest Burlap and Bag

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Company, is not indebted to nor is the company indebted to him in any way. He stated that LEW FARRELL did not participate in any way in the labor negotiations between the Midwest Burlap and Bag Company and CAPELLUPO and KAVNER. He stated that FARRELL, in the past, contacted them socially and at one time was interested in renting floor space from them when they maintained an office on Third Street in Des Moines, Iowa.

[redacted] stated that he did not pay anyone and he was not aware that [redacted] had paid or that any officer of the corporation or employee of the corporation had paid anyone a fee in connection with the negotiation of this labor contract with Local Number 10.

On March 11, 1957, [redacted] was interviewed by SAs [redacted] and ROY W. MEADOWS at the offices of the Midwest Burlap and Bag Company, 1401 Thomasbeck Road, Des Moines, Iowa.

[redacted] stated that he could not recall at this time, the first time that he was contacted by representatives of Local 10 concerning a labor contract for the employees of the Midwest Burlap and Bag Company. He stated that he believed in the period from March through May of 1956, RICHARD KAVNER possibly accompanied by PETE CAPELLUPO on the first contact, visited with him in Des Moines, Iowa, at the offices of the Midwest Burlap and Bag Company concerning the fact that Local 10 had a majority of the employees of the Midwest Burlap and Bag Company signed up and that they should be the bargaining agent for the employees.

[redacted] advised similarly concerning the background of the company prior to this labor contract, pointing out that they had certain commitments to industry to supply bags in the fall; that they were in the process of building new quarters and were then involved in a dispute with their ex-sales manager.

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[] pointed out that all of these factors made it evident to them that they could not become involved in a costly strike at that time, so they considered this in their decision to recognize Local Number 10 as bargaining agent for their employees. He stated that there were negotiations between KAVNER, CAPELLUPO and the [] which consisted of phone calls, telegrams, etc., and it was finally agreed in August of 1956, that the Midwest Burlap and Bag Company would recognize Local 10 as bargaining agent for the employees of the Midwest Burlap and Bag Company on the date that the company occupied the new quarters and that the pay raises were to become effective February 1, 1957. According to [] all company correspondence available concerning these negotiations had been turned over to the National Labor Relations Board representative in Minneapolis, Minnesota. [] stated that he never questioned the statement by RICHARD KAVNER that Local 10 could organize the plant both from a job classification and a territory jurisdiction matter, and took KAVNER's statement as true that they had other industry in Des Moines. [] who was present during this interview, stated that he definitely recalls asking KAVNER whether Local Ten had jurisdiction both as to the trade and territory and recalls the affirmative answer given by KAVNER. [] stated that he did not ask for an employee's election due to the experience they had in the 1951 strike. He stated that in that strike, the employees voted not to have the union that maintained they had a majority, and, in spite of the vote, as [] put it, the union struck any way and they were involved in the strike, so he stated he could not see any reason to ask for an employee's election in this negotiation because he was not assured that there would not be a strike if the election was not favorable.

He stated that the contract does not cover all employees and, at the present time, there are approximately thirty employees not organized in the plant and these consist of the "sorters and cutters."

According to [] he feels that Local 10 has currently about fifty per cent of the plant employees as

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members of that union.

Both [redacted] maintained throughout the interview that they negotiated this labor contract with representatives of Local 10 in good faith and did not make any payments to any representatives of labor nor are they aware of any officials of the Midwest Burlap and Bag Company that did make payments to representatives of Local 10 in connection with this contract.

[redacted] stated that he is acquainted with LEW FARRELL and LEW FARRELL has visited [redacted] plant socially, but he denied FARRELL had any interest in the Midwest Burlap and Bag Company and stated that FARRELL did not participate in any manner in the negotiations of the labor contract with representatives of Local 10. He stated that he is not aware of any contact that FARRELL has had with the employees of the union.

[redacted] made available a salary schedule that was effective in the plant as of April 26, 1956. The salary for the following employees as of that date is as follows:

Cleaners and Sorters - one dollar per hour;
Used Bag Department - Men - scale runs from one dollar to one dollar fifteen per hour;
New Bag Department - Women - scale runs from one dollar to one dollar ten per hour;
New Bag Department - Men - a dollar to one dollar thirty per hour;
Buyers - \$237.50 monthly;
Drivers - six cents per mile plus expenses.

He advised that the following wage scale was in effect as of September 27, 1956, which was subsequent to the most recent Federal legislation on the Minimum Wage Law:

Cleaners and Sorters - one dollar per hour;
Men - Used Bag Department - one dollar per hour to a dollar fifteen per hour;

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New Bag Department - Women - one dollar to one dollar and a dime per hour;

New Bag Department - Men - one dollar to one dollar thirty cents per hour;

Buyers - \$237.50 monthly plus a bonus;

Drivers - over the road - six cents per mile.

In this regard, both [redacted] maintained that they were paying the highest wages in the industry in Des Moines and that they were paying at least the average wage for the industry throughout the country and stated that they believed that if contact were made with any of the following companies, this would be borne out. They suggested contact with the Lone Star Bag Company of Houston, Texas; the Arrow Bag Company of Oklahoma City, Oklahoma; the Langston Bag Company of Memphis, Tennessee; the Arrow Bag Company of Denver, Colorado; the Monarch and Commercial Bag Company of Des Moines and the Nebraska Bag Company of Omaha. He pointed out that the above bag companies were engaged in like operations; that is, the processing of new and used bags.

According to [redacted] they stated that due to the fact they were paying the highest wages in the industry, they did not consider the contract entered into with Local 10 as being a "Sweetheart Contract" as it provided for wage increases and would cost the company from between five to ten thousand dollars depending upon the number of employees during the years.

The following investigation was conducted by SA [redacted]
[redacted] at Omaha, Nebraska:

PETER CAPELLUPO

Omaha City Directories from 1951 through 1953 list PETER CAPELLUPO, wife [redacted] as residing at 2108 Poppleton, Omaha, Nebraska. His occupations for these years are shown as follows:

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- 1951 - "Agent"
- 1953 - President, General Drivers Union, Local 554
- 1954 - Business Agent, AFL
- 1955 - Trustee, Teamsters Joint Council #81, 211 South 13th Street, Omaha
- 1956 - Business Representative, Teamsters Local 659, 2222 California Street, Omaha.

The Omaha Teamsters Union Local listed in the Omaha City Directory and the Omaha Telephone Directory is Local 659 (construction), 2222 California Street, telephone JACKSON 4809.

The current Omaha Telephone Directory lists PETER CAPELLUPO as residing at 2108 Poppleton, telephone HARNEY 7467.

On March 4, 1957, [REDACTED] Associated Retail Credit Bureau, advised her records disclose that PETER C. CAPELLUPO resides at 2108 Poppleton, where he owns his own home.

In March, 1941, CAPELLUPO was a driver for the AAA Beer Distributing Company, earning \$45.00 per week. In October, 1941, he was driving for the Burlington Transportation Motor Freight Division, earning \$160.00 per month. In April, 1945, he was Business Representative and Recording Secretary for the "General Drivers Union," a position he had held since 1943, and in March, 1947, he became Vice-President and Business Representative of this Union. In 1950, his income was listed as \$67.00 per week and his position as President and Business Agent, General Drivers Union, Omaha, one year. A notation dated January, 1954, listed CAPELLUPO as "Secretary in Lincoln, Nebraska, for Teamsters Union." CAPELLUPO's credit rating has run from slow to satisfactory from 1941 to date.

On March 6, 1957, Sergeant [REDACTED] Identification Bureau, Omaha, Nebraska, Police Department, advised PETER CAPELLUPO was arrested December 10, 1938, and charged with vagrancy and disorderly conduct. He was held for investigation and dismissed December 12, 1938. This charge arose out of a truckers' strike in Omaha at this time, when CAPELLUPO had a gun on his person.

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Lieutenant [REDACTED] Douglas County Sheriff's Office, advised on March 5, 1957, the files of his office contain no record for PETER CAPELLUPO.

The Omaha World-Herald morgue files contain references to CAPELLUPO in 1952, when he was then Business Agent for Local 554 of the General Drivers, Helpers, and Warehousemen Union, wherein he was commended because members of his local had donated their time free of charge driving trucks of the Nebraska Motor Carriers Association to move flood evacuees back to their homes in Omaha and Council Bluffs, Iowa, following the 1952 Missouri River flood in this area.

The June 16, 1952 edition of the Omaha World-Herald contained an article which stated that CAPELLUPO was one of the individuals who received the plaudits of "Look" magazine in its June 17, 1952 issue for work in helping evacuate residents of East Omaha and Council Bluffs during the 1952 flood.

There are no additional references to CAPELLUPO in the World-Herald morgue library with the exception of several items bearing a Des Moines dateline in February, 1957. CAPELLUPO is mentioned as the Business Agent for Local 10 of the Teamsters Union, which Union was engaged in a jurisdictional dispute with a Textile Union at the Midwest Burlap and Bag Company, Des Moines, Iowa.

An item in the February 8, 1957, issue of the Omaha World-Herald pertaining to this Des Moines, Iowa, labor dispute quoted unnamed Union officials as stating that Local 10 of the Teamsters received its charter on December 6, 1955. This Union thereafter entered into a contract with the 7-Up Bottling Company in Omaha in June, 1956, and reportedly has contracts with other firms such as service stations and garbage haulers. There was also a statement in this article by ROBERT F. KENNEDY, Counsel for the Senate Labor Committee presently investigating the Teamsters Union, that Local 10 has been described as a "paper" Local - a Union with officers only and no members.

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On March 4, 1957, [redacted] Douglas County Auto License Bureau, produced a current Nebraska driver's license for PETER CAPELLUPO, which contained the following descriptive data:

Born	June 20, 1913
Address	2108 Poppleton
Hair	Black
Eyes	Brown
Height	5'7"
Weight	170

A 1956 auto registration for PETER CAPELLUPO lists him as the owner of a 1953 four-door Chrysler, Motor Number C53842576, 1955 Nebraska license 1-7474.

The home at 2108 Poppleton, CAPELLUPO's address, is a modest one story frame dwelling in a below-average neighborhood.

On March 4, 1957, [redacted] Douglas County Voters Registration Bureau, made available a voter's registration card for CAPELLUPO, which disclosed he registered as a voter on August 2, 1934, at the age of twenty-one. His residence was listed as 2108 Poppleton and his birth date as June 20, 1913 (Nebraska). At this time he was an unemployed laborer.

On March 4, 1957, Confidential Informant Omaha T-2, who has furnished reliable information in the past, advised he knows PETER CAPELLUPO as a person active in the trucking business and a Teamsters Union Business Agent in Omaha for approximately eight years. Omaha T-2 stated he knew nothing about CAPELLUPO's associates or business dealings, and that neither CAPELLUPO nor Locals 10 or 659 of the Teamsters Union maintained accounts at the Omaha National Bank.

Omaha T-2 did state, however, that in 1952 and 1953 CAPELLUPO was President of the Teamsters Benefit Association and was also President of Local 554, General Drivers Union,

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and as such was authorized to sign checks drawn on these two accounts, which were maintained at the Omaha National Bank. In August, 1953, CAPELLUPO was removed as the authorized signer for these two accounts.

Continuing, Omaha T-2 advised he had ascertained from a reliable source in the Omaha trucking business that CAPELLUPO is presently the Business Representative for a Teamsters Union Local in Lincoln, Nebraska. According to T-2's source, CAPELLUPO has no official Union connections in Omaha, Nebraska, at the present time. This source further informed T-2 that the Local Union in Lincoln, referred to above, could be characterized as a "fly-by-night, off-breed Union."

On March 4, 1957, [redacted] Clerk of the U. S. Bankruptcy Court, Omaha, advised Local 10 of the Teamsters Union had not filed bankruptcy papers with this Court at any time. A check of the records of the Douglas County District Court on March 4, 1957, failed to disclose that Local 10 had filed bankruptcy papers with this Court.

The files of the World-Herald morgue, with reference to the Teamsters Union, were checked back to 1954, and it is noted no reference is made to Local 10 or PETER CAPELLUPO other than what has been set forth above.

[redacted] is listed as the present [redacted] of Local 554, General Drivers Union, with which CAPELLUPO was formerly associated. Local 659, Teamsters Union, the only Teamsters Union Local listed in the current Omaha Directories, was said to be organized in 1955, and the Business Agent was one [redacted]

As a matter of additional information, the World-Herald clippings for 1955, under the Teamsters Union, made reference to one RICHARD KAVNER when this individual was in Omaha during the summer of 1955, on an organizing drive for the Teamsters Union. KAVNER was described as a Representative

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for the Central Conference of Teamsters out of St. Louis, Missouri. The States of Virginia, Kentucky, Indiana, Missouri, Kansas, Ohio, Michigan, North and South Dakota, Nebraska and Iowa were listed as KAVNER's territory.

One [redacted] Grand Island, Nebraska, was referred to as President of the Teamsters Joint Council of Nebraska in 1955 in various newspaper items pertaining to the Teamsters Union, which have no bearing on instant investigation.

On March 7, 1957, Confidential Informant Omaha T-5, who has furnished reliable information in the past, advised he had ascertained from a reliable source in Omaha, Nebraska, labor circles that PETER CAPELLUPO is officially listed as Secretary of Local 659, Teamsters.

The following individuals were contacted on March 4, 1957, and advised they did not know PETER CAPELLUPO and had no information concerning Local 10 of the Teamsters Union:

[redacted] Attorney, 533 Keeline Building
[redacted] Agent in Charge, CIC, Fifth Army,
Omaha.

On March 6, 1957, issues of "The Unionist," official AFL-CIO labor newspaper in Omaha, Lincoln, and the State of Nebraska, on file at the Omaha City Library, were reviewed for the past three months and no listing was contained therein for Local 10, Teamsters, among Omaha Union Locals. The City Library contained no directory as such of Omaha or Nebraska Union Locals.

On March 6, 1957, Confidential Informant Omaha T-6, who has furnished reliable information in the past, ascertained from one of his reliable sources, who has known PETE CAPELLUPO for many years, that CAPELLUPO has four or five children, is reportedly Secretary for a "truckers union local," lives in a below-average neighborhood in Omaha, and appears to have very little money.

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Another reliable source of OM T-6's in the trucking business in Omaha informed OM T-5 that PETER CAPELLUPO is presently a Business Agent for a Local Teamsters Union in Lincoln, Nebraska. A call to Local 554, General Drivers, Helpers, and Warehousemen Union, 221 South 13th Street, Omaha, elicited the information that Local 508 of this Union is located in Lincoln, Nebraska. Whether this is a Teamsters Union is unknown.

Teamsters, Local Ten

On March 6, 1957, [redacted] Omaha Chamber of Commerce, advised the files of his office contain no record of a Teamsters Local Union Ten in Omaha, Nebraska. [redacted] advised he maintains a rather complete file on all Omaha Union Locals and has never heard of Local 10 of the Teamsters.

On March 6, 1957, [redacted] of Haulaway, Inc., 1518 North 11th Street, an Omaha trash hauling firm employing eleven drivers, was contacted with reference to information he possessed concerning Local 10 of the Teamsters Union. [redacted] related that two or three weeks ago [redacted] who identified themselves as International Teamsters Representatives out of St. Louis, Missouri, contacted him with reference to an attempt by the Teamsters Union to organize the eleven drivers of his Company. At this time, [redacted] produced a card which purported to identify him as a Representative of Locals 10 and 559 of the Teamsters in Omaha. The telephone number he gave [redacted] is the business telephone Teamsters Local 559, 2222 California Street. Following this contact by [redacted] and [redacted] contacted [redacted] head of the AFL-CIO for the State of Nebraska, to determine whether Local 10 of the Teamsters was a bonafide Union and was informed by [redacted] that Local 10 is operating under a Teamsters charter from St. Louis, Missouri, but is a "miscellaneous" union in that it might organize employees in a number of different unrelated trades.

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[] stated he asked [] who the Local Business Representative for Teamsters Number 10 in Omaha would be and [] replied he could be considered the Local Business Agent. [] stated he thereafter pointed out to [] that he was an International Organizer and was only in Omaha temporarily during the organization phase of this current Union activity. [] attempts to learn who the Local Business Agent of Local 10 of the Teamsters Union in Omaha would be met with negative results. Continuing, [] stated he had learned that the 7-Up Bottling Company, 2525 Dodge Street, had been organized by Local 10 of this Union and had signed a contract with this local. According to [] the Omaha 7-Up Bottling Company is owned by the Des Moines, Iowa, 7-Up Company and all labor-management negotiations for the Omaha Plant were conducted in Des Moines, Iowa.

[] stated he did not know how long Local 10 of the Teamsters had been operating in Omaha and did not know who its officers were, if, in fact, it had any at all. He said he did not know PETE CAPELLUPO or RICHARD KAVNER and these names were never mentioned in his discussion with [] and [].

Chief of Police HARRY GREEN, Omaha Police Department, made available on March 6, 1957, a confidential report concerning [] which was furnished to him by Omaha T-3. Omaha T-3 characterized [] as a labor strong-arm man.

AT LINCOLN, NEBRASKA

On March 1, 1957, [] of Ford Van Lines, Inc., 1630 P Street, Lincoln, Nebraska, advised that subject CAPELLUPO was business agent for Local 608 of the Teamsters, Chauffeurs, Warehousemen and Helpers Union, that city, and that the union maintains offices at 414 South 11th Street, Lincoln. According to [] CAPELLUPO has been doing a great deal of work for the International Teamsters Union and particularly for the district agent of that union, namely KAVNER. Omaha T-4, who has been a member of Local 608 at Lincoln, Nebraska, advised

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that PETE CAPELLUPO was hired as Business Agent for Local 608 in January of 1952, and that prior to this, CAPELLUPO had been working for the Red Ball Transfer Company in Omaha, Nebraska. According to the information obtained from Omaha T-4, CAPELLUPO's present salary as Business Agent for the Local is \$125.00 a week, plus twenty dollars a week traveling expenses for his automobile.

On March 6, 1957, SA [redacted] ascertained from [redacted] Assistant Manager of the Blackstone Hotel, that RICHARD KAVNER had been staying at the hotel but had left on March 1, 1957, leaving the forwarding address of 1641 South Kings Highway, St. Louis, Missouri.

Following the receipt of the information previously set forth as coming from Omaha T-1, that material was discussed with United States Attorney [redacted] at Des Moines, Iowa, and he, at that time, stated that the allegations as known might constitute a violation of Section 186, Title 29, U. S. Code, if unauthorized payments were being made to employees' representatives by an employer engaged in commerce.

The following FBI Identification Record for LEWELL FARRELL, FBI Number 1194703, as obtained from Identification Division on March 5, 1952:

Contributor of Fingerprints	Name and Number	Arrested or Received	Charge	Disposition
USM, Chicago, Ill.	Louis Fratto #3722	11/14/33	Sec. 317 Title 18, Postal Laws	
PD, Chicago, Ill.	Louis Fratto #C-77091	11/15/36	G.P.	
SO, Racine, Wis.	Lew Farrell #2597	8/13/39	material witness	rel. on \$50 bond
PD, Des Moines Iowa	Lew Farrell #12529	9/13/39	inv.	9/14/39 rel.
SO, Des Moines, Iowa	Lew Farrell	5/15/48	Conspiracy	11/17/48, dism.

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CAUTION SHOULD BE USED IN ANY CONTACT WITH SUBJECT
CAPELLUPO DUE TO FACT HE WAS ARMED IN 1938 WHEN HE WAS ARRESTED.

ENCLOSURES: TO BUREAU:

Two (2) photostats of the Contract between
Local 10 and Midwest Burlap and Bag Company.

~~One (1) photostat of Contract between Local 10
and Midwest Burlap and Bag Company.~~

- P -

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INFORMANTS

Confidential Informant Omaha T-1 is [redacted]
[redacted] office [redacted] Des Moines,
Iowa, contacted by SA [redacted] pursuant to
his request on February 14, 1957, and he requested that due
to his relationship as [redacted] in Iowa,
that his identity remain confidential.

Confidential Informant Omaha T-2 is [redacted]
SAC contact of the Omaha Division.

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Confidential Informant Omaha T-3 is [redacted]
[redacted] of the Wichita,
Kansas, Police Department.

Confidential Informant Omaha T-4 is [redacted]
of [redacted] Lincoln, Nebraska, who was contacted
on March 2, 1957, by SA [redacted] at which time he
requested his identity to be kept confidential.

Confidential Informant Omaha T-5 is [redacted]
[redacted] and he
requested his identity remain confidential.

Confidential Informant Omaha T-6 is [redacted]
[redacted]
Omaha, Nebraska, and he requested his identity remain confidential.

LEADS

THE MINNEAPOLIS DIVISION

AT MINNEAPOLIS, MINNESOTA

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(1) Will contact [redacted] of the National Labor
Relations Board and review the files relating to the contract
between Local Ten and the Midwest Burlap and Bag Company, it
being noted that [redacted] maintained that certain company

ADMINISTRATIVE PAGE

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records were turned over to the Board in connection with their inquiry into the activities of Local 10 and the Midwest Burlap and Bag Company.

(2) Will ascertain from [redacted] Investigator for the National Labor Relations Board, 601 Metropolitan Life Building, Minneapolis, Minnesota, if he has any information indicating that subjects in this case paid or received any funds in violation of the National Labor Relations Act.

THE OMAHA DIVISION

AT OMAHA, NEBRASKA

Will, upon completion of examination of Labor Relations Board files, consider the advisability of requesting Bureau authority to interview RICHARD KAVNER and PETE CAPELLUPO. Will consider advisability of interviewing individual employees of the Midwest Burlap and Bag Company to ascertain if LEW FARRELL had been active in organization of the union.

REFERENCE

Omaha airtel to Bureau, dated 3/7/57.

ADMINISTRATIVE PAGE

A G R E E M E N T

THIS AGREEMENT made and entered into this 3rd day of September, 1956, by and between Midwest Burlap & Bag Co. of Des Moines, Iowa, hereinafter referred to as the "Employer", and INTERNATIONAL BROTHERHOOD of TEAMSTERS, CHAUFFEURS, WAREHOUSEMEN and HELPERS of AMERICA, A F of L - C I O, LOCAL UNION NO. 10 Omaha, Nebr., for and on behalf of the employees now employed and hereinafter to be employed by the Employer, hereinafter referred to as the "Union".

ARTICLE I

RECOGNITION

Section 1. The Employer hereby recognizes the Union as the sole collective bargaining agent for the following classifications: Shipping Clerks, Receiving Clerks, Clippers, Turners, Sorters, Cleaners, Pressmen, Layout Men, Balers, Warehousemen, Drivers, and Office Employees.

Section 2. (a) The Employer recognizes and acknowledges that the Local Union is the exclusive representative of all employees in the classifications of work covered by this Agreement for the purposes of collective bargaining as provided by the National Labor Relations Act.

(b) All present employees who are members of the Local Union on the effective date of this subsection shall remain members of the Local Union in good standing as a condition of employment. All present employees who are not members of the Local Union and all employees who are hired hereafter shall become and remain members in good standing of the Local Union as a condition of employment on and after the 31st day following the beginning of their employment or on and after the 31st day following the effective date of this subsection, whichever is the later. This provision shall be made and become effective as of such time as it may be made and become effective under the provisions of the National Labor Relations Act; but not retroactively.

(c) When the Employer needs additional men he shall give the Local Union equal opportunity with all other sources to provide suitable applicants, but the Employer shall not be required to hire those referred by the Local Union.

(d) No provision of this Article shall apply in any state to the extent that it may be prohibited by state law. If under applicable state law additional requirements must be met before any such provision may become effective, such additional requirements shall first be met.

(e) If any provision of this Article is invalid under the law of any state wherein this contract is executed, such provision shall be modified to comply with requirements of State Law or shall be re-negotiated for the purpose of adequate replacement. If such negotiations shall not result in mutually satisfactory agreement, either party shall be permitted all legal or economic recourse.

(f) In those instances where subsection (b) hereof may not be validly applied, the Employer agrees to recommend to all employees that they become members of the Local Union and maintain such membership during the life of this Agreement, to refer new employees to the Local Union representative, and to recommend to delinquent members that they pay their dues since they are receiving the benefits of this contract.

(g) Nothing contained in this section shall be construed so as to require the Employer to violate any applicable law.

ARTICLE II

CHECK-OFF

The Employer agrees that it will deduct any and all amounts due and owing to the Union for any of its employees covered hereunder, provided that the Union requests such deductions and accompanies such request with proper and legal authorizations and assignments in accordance with applicable law. The Employer further agrees that it will promptly remit such collected amounts to the Union once each month.

ARTICLE III

DISCHARGE

The Employer agrees that it will not discharge any employee for any unjustifiable cause. The parties hereto further agree that all discharge cases arising under this clause shall be given precedence for disposition as hereinafter provided. It is specifically agreed that any discharge cases submitted to the

grievance procedure and arbitration shall be disposed of immediately. In the event that the Impartial Arbitrator finds that an employee was unjustly discharged, he may order such employee reinstated and the employee reimbursed for all time lost.

ARTICLE IV

PROTECTION OF RIGHTS

It shall not be a violation of this Contract and it shall not be cause for discharge if any employee or employees refuse to go through the picket line of a Union or refuse to handle unfair goods. Nor shall the exercise of any rights permitted by law be a violation of this Contract. The Union and its members, individually and collectively reserve the right to refuse to handle goods from or to any firm or truck which is engaged or involved in any controversy with this or any other Union; and reserve the right to refuse to accept from or to make pickups from or deliveries to establishments where picket lines, strikes, walk-outs or lock-outs exist.

The term "unfair goods" as used in this Article includes, but is not limited to, any goods or equipment transported, interchanges, or handled for any Employer whether party to this Agreement or not, at any of whose places of business there is controversy between such Employer or its employees on the one hand and a Local Union on the other hand.

The Union agrees that, in the event the Employer becomes involved in a controversy with any other Union, the Union will do all in its power to help effect a fair settlement.

The Union shall give the Employer notice of all strikes and/or the intent of the Union to call a strike of any Employer and/or place of business, and/or intent of the members to refuse to handle unfair goods. The Employer will be given an opportunity to deliver any and all commodities in their physical possession at the time of the receipt of notice. Any commodity received by an Employer up to midnight of the day of the notification shall be considered to be in his physical possession. However, commodities in the possession of a different Employer shall not be considered to be in the physical possession of the Employer.

The insistence by any Employer that his employees handle unfair goods or go through a picket line after they have elected not to, shall be sufficient cause for an immediate strike of all such Employer's operations without any need of the Union to go through the grievance procedure herein.

ARTICLE V

INDIVIDUAL AGREEMENTS

No individual contract or arrangement shall be entered into with any employee covered by this agreement or with the Employer contrary to the provisions of this agreement and pertaining to the subject matter of this agreement.

ARTICLE VI

RIGHT OF ACCESS

The duly authorized representative of the Union shall have the right to visit the premises of the Employer at all reasonable times for the transaction of Union business.

ARTICLE VII

UNION STEWARD

The employer agrees to recognize the Union Steward as the representative of the employees for the purpose herein described. The Steward shall be designated from among the employees within the Company and shall be the representative of the Union on the premises of the Employer.

ARTICLE VIII

MAINTENANCE OF STANDARDS

The Employer agrees that all conditions of employment relating to wages, hours of work, over-time differentials and general working conditions shall be maintained at not less than the highest minimum standards in effect at the time of the signing of this Agreement, and the conditions of employment shall be improved wherever specific provisions for improvement are made elsewhere in this Agreement.

It is agreed that the provisions of this section shall not apply to inadvertent or bona fide errors made by the Employer or the Union in applying the terms and conditions of this Agreement if such error is corrected within ninety (90) days from the date of error.

ARTICLE IX

GRIEVANCE PROCEDURE

A grievance is hereby jointly defined to be any controversy, complaint, misunderstanding or dispute arising as to meaning, application or observance of any of the provisions of this Agreement.

It is mutually agreed that any difference arising between the Employer and the Union or an employee of the Company as to the meaning or application of the provisions of this Agreement shall be settled in the following manner:

Section 1. The aggrieved employee or employees shall first take the matter up with the shop steward who in turn will take the grievance up with the Foreman in charge. Employees shall have the Shop Steward present on any grievance. If a satisfactory settlement is not effected with the Foreman within one (1) working day, the Employee shall submit such grievance to the Union's business representative in writing.

Section 2. If no satisfactory adjustment is agreed upon the matter shall be referred by the business representative to the General Manager of the Company or some other executive officer of the Company with authority to act, who shall review the alleged grievance and offer a decision within five (5) working days after receipt of same.

Section 3. If no agreement can be reached pursuant to the procedure specified in Sections (1) and (2), the parties by agreement shall submit the grievance to arbitration.

Section 4. In the event the Employer and the Union agree to arbitration the Employer and the Union agree to accept the decision of the majority of an arbitration board, consisting of one (1) member selected by the Employer and one (1) member selected by the Union and the third (3rd) selected by the two arbitrators nominated as above. In the event the Company and the Union agree to arbitration and either one of the parties refuses to submit the grievance to arbitration, either party shall have the right to exert their economic strength notwithstanding any other provision of this

agreement to the contrary.

It shall be incumbent upon both parties to nominate the third arbitrator within seven (7) days after such notice is given. Upon failure of the two arbitrators nominated as above to agree upon the third arbitrator, both parties agree to ask the U. S. Mediation and Conciliation Service to appoint the third arbitrator. The expense of the arbitrator selected by the Employer shall be borne by the Employer. The expense of the arbitrator selected by the Union shall be borne by the Union. The expense of the third arbitrator selected or appointed shall be borne equally by the Employer and the Union.

Section 5. Specified periods shall be agreed upon between the Committee and the Employer as to the time when such grievance shall be presented and acted upon.

Section 6. Complaints regarding the discriminating discharges of members of the Union will be handled promptly according to grievance procedure herein provided. Such complaints must be filed within five (5) working days of discharge and must be in writing. The management must review and render a decision on the case within five (5) working days after receipt of same.

Any employee who is reinstated after discharge will be returned to work at the same rate of pay and without loss of pay and loss of seniority.

ARTICLE X

HOLIDAYS AND HOLIDAY PAY

Section 1. Employees shall be credited and paid for eight (8) hours of work when no work is performed on the following holidays:

New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day and Christmas.

Subject, however, that no employee shall be credited and paid for such holidays unless he worked two (2) days before and two (2) days after said holiday, and has also been employed by the Company at least six (6) consecutive weeks.

Section 2. In the event the Employer requires work on any of the above named holidays, the employees shall be paid on the basis of their regular rate of pay for such work.

ARTICLE XI

VACATIONS

Section 1. All employees shall receive one week's vacation with pay after one year's continuous service with the Company, two week's vacation with pay after three years service and three week's vacation with pay after twelve year's continuous service with the Company. Provided, however, employee has worked 80% of the total hours of the twelve months period. Vacation pay for each week of vacation will be computed on employees weekly earnings computed on a regular forty hour week, and employees current rate of pay.

ARTICLE XII

WORK DAY AND OVER-TIME

Eight (8) hours shall constitute a days work, however, if employee is required to work more than eight (8) hours during any one day he shall not be entitled to any over-time unless and until he has worked forty hours during that week. All work performed in excess of forty hours in any one week shall be paid at the rate of time and one-half of the employee's regular rate of pay.

ARTICLE XIII

SENIORITY

Section 1. Seniority rights for employees shall prevail. Seniority shall be broken only by discharge, voluntary quit, or more than a two year lay-off. In the event of a lay-off, an employee so laid off shall be given ten day's notice of recall mailed to his last known address. The employee must respond to such notice within three (3) days after receipt thereof and actually report to work in seven (7) days after receipt of notice, unless otherwise mutually agreed to. In the event the employee fails to comply with the above, he shall loose all seniority rights under this Agreement. A list of employees arranged in the order of their seniority, shall be posted in a conspicuous place at the place of their employment.

Section 2. When it becomes necessary to reduce the working force, the last man hired shall be paid-off first, and when the force is again increased, the men are to be returned to work in the reverse order in which they are paid-off.

Section 3. Any controversy over the seniority of any employee on the seniority list shall be submitted to the grievance procedure herein contained.

Section 4. Seniority shall be established on departmental basis.

ARTICLE XIV

FACILITIES

The Employer agrees that it will provide proper toilet facilities accessible to workmen and drinking water.

ARTICLE XV

UNION ACTIVITIES

An employee member of the Union acting in any official capacity whatsoever shall not be discriminated against for his acts as such officer of the Union so long as such acts do not interfere with the conduct of the Employer's business, nor shall there be any discrimination against any employee because of Union membership or activities.

ARTICLE XVI

SEPARATION OF EMPLOYMENT

Upon discharge the Employer shall pay all money due to the employee. Upon quitting, the Employer shall pay all money due to the employee on the pay day in the week following such quitting.

ARTICLE XVII

INSPECTION PRIVILEGES

Authorized agents of the Union shall have access to the Employer's establishment during working hours for the purpose of adjusting disputes, investigating working conditions, collection of dues, and ascertaining that the Agreement is being adhered to, providing, however, that there is no interruption of the firm's working schedule.

ARTICLE XVIII

BONDS

Should the Employer require any employee to give bond, cash bond shall not be compulsory, and any premium involved shall be paid by the Employer.

The primary obligation to procure the bond shall be on the Employer. If the Employer cannot arrange for a bond within ninety (90) days, he must so notify the employee in writing. Failure to so notify shall relieve the employee of the bonding requirement. If proper notice is given, the employee shall be allowed thirty (30) days from the date of such notice to make his own bonding requirements, standard premiums only on said bond to be paid by the Employer. A standard premium shall be that premium paid by the Employer for bonds applicable to all other of its employees in similar classifications. Any excess premium to be paid by the employee. Cancellation of a bond after once issued shall not be cause for discharge, unless the bond is cancelled for cause which occurs during work-^{given}ing hours, or due to the employee having/a fraudulent statement in obtaining said bond.

ARTICLE XIX

EXAMINATIONS AND IDENTIFICATION FEES

Section 1. Physical, mental or other examinations required by a government body or the Employer shall be promptly complied with by all employees, provided, however, the Employer shall pay for all such examinations. The Employer shall not pay for any time spent in the case of applicants for jobs and shall be responsible to other employees only for time spent at the place of examination or examinations, where the time spent by the employee exceeds two (2) hours, and in that case, only for those hours in the excess of said two (2). Examinations are to be taken at the employee's home terminal and are not to exceed one (1) in any one (1) year, unless the employee has suffered serious injury or illness during the year. Employees will not be required to take examinations during their working hours.

The Company reserves the right to select its own medical examiner or physician, and the Union may, if it believes an injustice has been done

an employee, have said employee re-employed at the Union's expense.

Section 2. Should the Employer find it necessary to require employees to carry or record full personal identification, such requirement shall be complied with by the employees. The cost of such personal identification shall be borne by the Employer.

ARTICLE XX

SEPARABILITY AND SAVINGS CLAUSE

If any Article or Section of this contract or of any Riders thereto should be held invalid by operation of law or by any tribunal of competent jurisdiction, or if compliance with or enforcement of any Article or Section should be restrained by such tribunal pending a final determination as to its validity, the remainder of this Agreement and of any Rider thereto, or the application of such Article or Section to persons or circumstances other than those as to which it has been held invalid, or as to which compliance with or enforcement of has been restrained, shall not be affected thereby.

In the event that any Article or Section is held invalid or enforcement of or compliance with which has been restrained as above set forth, the parties affected thereby shall enter into immediate collective bargaining negotiations, upon the request of the Union, for the purpose of arriving at a mutually satisfactory replacement for such Article or Section during the period of invalidity or restraint. If the parties do not agree on a mutually satisfactory replacement, either party shall be permitted all legal or economic recourse in support of its demands notwithstanding any provision in this Agreement to the contrary.

ARTICLE XXI

PAY DAY

Pay day shall be weekly during working hours; the Employer agrees to pay employees on Friday of each week by check.

ARTICLE XXIX

~~ARTICLE~~

An increase of $3\frac{1}{2}$ per hour will become effective February 1, 1957 for the following classifications:

Shipping Clerk
Receiving Clerk
Clippers
Turners
Sorters
Cleaners
Pressmen
Layout men
Balers
Warehousemen
Office Employees

An increase of \$2.00 per week will become effective February 1, 1957 for truck drivers.

ARTICLE XXIII

TERMINATION

This Agreement shall be in full force and effect from September 3, 1956, to September 3, 1957, and shall continue in full force and effect from year to year thereafter unless written notice of desire to terminate is given by either party to the other at least sixty (60) days prior to September 3, 1957, or Sept 3 of any subsequent year.

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INTERNATIONAL BROTHERHOOD OF
TEAMSTERS, CHAUFFEURS,
WAREHOUSEMEN AND HELPERS
OF AMERICA, AF of L - C I O
Local Union No. 10

[Signature]
BUSINESS REPRESENTATIVE

[Signature]
EMPLOYER

ENCLOSURE
122-2064-3

ENCLOSURE: TO BUREAU:

Two (2) photostats of the contract
between Local 10 and Midwest Burlap
and Bag Company.

OM 122-44

FEDERAL BUREAU OF INVESTIGATION

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Reporting Office MINNEAPOLIS	Office of Origin OMAHA	Date 4/17/57	Investigative Period 4/11/57
TITLE OF CASE MIDWEST BURLAP AND BAG COMPANY, DES MOINES, IOWA:		Report made by ALVIN C. SCHLENKER	Typed By: VON
Et AL, PETER C. CAPELLUPO , was., Et AL		CHARACTER OF CASE LABOR MANAGEMENT RELATIONS ACT - 1947 (INVESTIGATIVE MATTER)	

Synopsis:

Textile Workers Union of America filed petition for election at MIDWEST BURLAP and BAG COMPANY with NLRB, Minneapolis 12/26/56. Company refused consent to election. Hearing set for 1/24/57. On 1/22/57 Teamsters Local #10 sent telegram claiming contract. [redacted] subsequently admitted contract signed in Jan. 1957. On 4/3/57 Company, Textile Workers Union and Teamsters Local #10 signed agreement whereby Textile Workers recognized as bargaining agent for inside workers and Local #10 for residual unit consisting of drivers, platform and warehouse employees. NLRB has no proof either union has authorization of majority of workers in groups they claim to represent. Records NLRB reflect Local #10 a trusteeship, under JAMES R. HOFFA. Has been referred to as "paper local." No knowledge payoff at NLRB.

SEE REVERSE SIDE FOR
ADD. DISSEMINATION.

AGENCY *WAB-INS-Omaha* - RUC -
REQ. REC'D *8-28-58*
REP'T FORW. *9-8-58*
BY *A. H. W.*

1 cc RAB-RCH-cam
5-6-58

Approved <i>[Signature]</i>	Special Agent in Charge	Do not write in spaces below	
Copies made: 2 - Bureau 3 - Omaha (122-44) (1905431 Des Moines) 1 - Minneapolis (122-60) CC 10:		122-5164-4	RECORDED - 15
CC TO <i>[Signature]</i> REQ. REC'D <i>[Signature]</i> 3-1-62		10 APR 19 1957	EX 105

66 MAY 6 1957

MP 122-60

DETAILS:

On April 11, 1957, SA ALVIN C. SCHLENKER interviewed confidential source MP T-1, of known reliability, who furnished information contained in records of the Regional Director, National Labor Relations Board, Metropolitan Building, Minneapolis, Minnesota. These records are not available for use in any proceeding without subpoena and approval of the General Counsel, NLRB. T-1 advised that on December 26, 1956 the Textile Workers Union of America filed a petition for an election among employees of the Midwest Burlap and Bag Company, Des Moines, Iowa. NLRB notified the company of this petition, but the company refused to consent to such election. NLRB set a hearing on the matter for January 24, 1957. About two days before date of the hearing NLRB received a telegram from Teamsters Local #10, Omaha, Nebraska, claiming they had a contract with the company. No previous reference to Local #10 had been made by anyone. At the hearing Local #10 was represented by [redacted] and the company was represented only by an attorney who refused to testify. The hearing was adjourned indefinitely. The Textile Workers Union then filed a charge alleging violation by the company of labor practices consisting of general interference with organization, discriminatory discharge of employees, signing an ineligible contract, and refusing to bargain with the Textile Workers Union. T-1 said he felt that an investigation could prove the Teamsters' contract was illegal and that the firing of some employees had been improper.

[redacted] and an attorney (whose name T-1 could not recall) came to Minneapolis to discuss the matter with the NLRB field representative and T-1 was a party to the conference. At this time [redacted] admitted the Teamster contract had been signed late in January, 1957. However, T-1 stated, at this time NLRB had no proof that the Textile Workers Union actually represented a majority of the company employees. On or about March 20, 1957, representatives of the company and of the Textile Workers Union had a meeting

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which was not attended by a representative of NLRB and subsequently the company called NLRB and advised that an agreement had been worked out whereby the Textile Workers Union would represent inside workers of the company and the company would reinstate three employees whose dismissal had been the basis for charges against the company. T-1 said he inquired if the Teamsters had agreed to this arrangement and if the contract with the Teamsters had been amended accordingly. T-1 was informed the Teamsters had agreed and that the contract was amended with the provision that the Teamsters would represent the drivers and some employees on the shipping platforms and in the warehouse. At this point T-1 advised the company attorney to make certain the unions had a majority of the employees they claimed to represent. Subsequently all parties to the agreement were advised that they were proceeding "at their peril" which meant that the agreement depended upon an assumption that the unions involved actually had a majority of employees they claimed to represent and that the company had satisfactory proof that their employees desired to be so represented. T-1 explained that the company probably would not run the risk of signing a contract under the circumstances without making certain a sufficient number of employees had authorized the unions in question to represent them.

On April 3, 1957, [redacted] Investigator for NLRB, attended a meeting in Des Moines at which the settlement agreement between the company and the unions was signed. The company reinstated three girls and paid them approximately \$1,350.00 back wages. T-1 stated this latter action by the company was, in his opinion, further evidence that the company was satisfied that the Textile Workers Union had the backing of a sufficient number of employees to recognize them as bargaining agent. T-1 said he did not have copies of the contracts signed by the company with the two unions but [redacted] had reported that the contracts were in possession of the company and had been signed.

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Concerning the above situation, T-1 also advised that NLRB had issued a subpoena to Local #10 requesting the production of all membership and authorization cards obtained from employees of the Midwest Burlap and Bag Company in the period January 1, 1956 through December 31, 1956. On March 5, 1957, in response to this subpoena, PETER CAPELLUPO advised he could find no records containing the information requested. T-1 further advised that NLRB has very little data produced by the company and exhibited two items in the file. One was a copy of a letter written August 21, 1956 by [redacted] to PETER CAPELLUPO, Omaha, Nebraska, headed "Negotiation and Recognition Agreement" and among other things stating "we, the undersigned, recognize the International Brotherhood of Teamsters, AFL as the exclusive bargaining agent for the 'Employees' of the Midwest Burlap Bag," and adding that they will proceed to negotiate contract when their new warehouse is completed. The original of this letter is also in the NLRB file, having been produced by Local #10. The second item was a copy of a telegram from CAPELLUPO to Midwest Bag Company dated October 23, 1956, stating "Please cancel negotiation meeting Oct. 26th, unable to attend will meet with you and the committee October 30th ten AM."

T-1 stated that these are the only items from the company reflecting on alleged negotiations between the company and Local #10 in 1956.

T-1 pointed out NLRB has received no complaints from any employee of Midwest Burlap and Bag Company that he was forced to sign an authorization card or to sign an authorization to the company to provide for check-off of his union dues. He said that very likely the drivers of the company are, and were, members of the Teamsters Union and that very probably Local #10 would as a consequence have a majority of those employees in the residual unit allocated to them by the agreement with the Textile Workers Union and the Company. He said he doubted that Local #10 at any time ever had a sufficient number of inside workers

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to justify claim for representing them, and he also believes the Textile Workers Union probably has a majority of the inside workers as that is the logical union for them to join.

Concerning Local #10, T-1 furnished the following information. Local #10 was apparently set up originally as part of a midwest organizing campaign. It has always been in trusteeship. Officers are listed as follows: International Trustee - JAMES R. HOFFA; Business Representative - PETER CAPELLUPO. The offices of President, Vice-President, Secretary-Treasurer, Recording Secretary, and Trustees (3), are all unfilled. Statement concerning officers, etc, was received at the NLRB, Minneapolis, 2/20/57.

T-1 stated he has heard that RICHARD KAVNER is actually "running the show" so far as Local #10 is concerned and that the Teamsters in Des Moines are "hopping mad" about the invasion of this "outside" local, particularly because in Des Moines they hate and have fought [redacted] International Teamster Vice-President in Minneapolis, and now they find their presumed ally, JAMES R. HOFFA, International Teamster Vice-President from Detroit, moving in on them. T-1 said he has heard a rumor that KAVNER is a brother-in-law of JAMES R. HOFFA. He further advised that Local #10 has been described as a "paper local," and it has the earmarks of being just that.

T-1 also advised he had been informed, but had not verified, that on or about the day the telegram was sent to the NLRB, two days before the scheduled hearing on January 24, 1957, the top officials of MIDWEST BURLAP and BAG COMPANY had taken a hurried airplane trip to Omaha, returning the same day.

T-1 advised he had no information that any consideration had passed between officials of the Midwest Burlap and Bag Company and representatives of Local #10.

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INFORMANT

T-1 is [redacted], NLRB, Metropolitan Building, Minneapolis, Minnesota, whose identity is concealed at his request and because of the information, other than that contained in his files, which he readily furnished. He advised that information contained in the files in his custody is confidential and may not be disclosed, or utilized, in a usual proceeding without subpoena and the consent of the General Counsel, NLRB, Washington, D.C. He has on previous occasions furnished information and expressed his desire to cooperate with FBI.

Concerning the information furnished by T-1 about the flight of Midwest Burlap Bag Company officials to Omaha on or about January 22, 1957, he stated he understood the Des Moines Flying Service had provided a chartered plane for this trip. This additional information is submitted for investigative assistance of the Omaha Division and is not included in the details to preclude possibility of disclosing his confidential sources.

[redacted] has been out of the city and unavailable for interview. [redacted] stated [redacted] could probably add very little if anything to what he had furnished, but had no objection to his interview.

LEADS

No lead is being set out to interview [redacted] and this will not be done unless requested by OO. If desired arrangements can probably be made through NLRB Regional Office in Minneapolis for [redacted] to be interviewed in Omaha Division.

REFERENCES

Report of SA ROY W. MEADOWS, Omaha, 3/21/57.

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workers. [redacted] Midwest Burlap and Bag Company, advised he knew of no labor contract with Local 10 up to time he resigned, October 31, 1956. He advised FARRELL visited [redacted] with 2 unidentified individuals at about the time [redacted] learned of union activity among the employees. He knows of no payments to FARRELL direct or indirect. FARRELL known to visit [redacted] at the office of the plant on occasions prior to above-mentioned meeting. [redacted] 7-Up Bottling Company, Des Moines, which company operates plant in Omaha, during negotiations with KAVNER contacted LEW FARRELL when KAVNER's demand seemed excessive, FARRELL's name having first been mentioned by [redacted] International Organizer for Teamsters, who on behalf of the union handled negotiations prior to KAVNER. FARRELL attempted to contact one [redacted] of the Teamsters Union at St. Louis, Mo., reportedly KAVNER's superior. Any other possible activity on the part of FARRELL unknown to [redacted] denies any payments in connection with contract with Local 10 Teamsters Union covering the Omaha plant. [redacted] employee of Midwest Burlap and Bag Company, active in organization of employees on behalf of the Textile Workers, knows of no contacts on part of LEW FARRELL with individual employees of the plant. Recalls seeing [redacted] at the plant with [redacted] in October, 1956.

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DETAILS: AT DES MOINES, IOWA

On March 26, 1957, [redacted] Labor Co-ordinator, Labor Temple, Des Moines, Iowa, was interviewed at the Des Moines, Iowa, Resident Agency office by SAs [redacted] and ROY W. MEADOWS.

[redacted] informed that approximately the middle of October, 1956, probably October 12 or 13, [redacted] Des Moines, Iowa, a personal acquaintance, employed as a sewer at Midwest Burlap and Bag Company, contacted him inquiring concerning the steps to be taken to organize the Midwest Burlap and Bag Company employees. She advised [redacted] that some twelve to fourteen girls wanted to organize. He explained to her the steps necessary and arranged for a meeting of the

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interested employees.

He further informed that later in the organization activities at Midwest Burlap and Bag Company, he was assisted by International Textile Workers Organizer [redacted] out of Chicago.

From his contact with the employees during this time, he learned that LEW FARRELL had many meetings with the [redacted] at the offices of the Midwest Burlap and Bag Company. He stated that he knows of no contact by FARRELL with the individual employees and, in fact, it appeared to him that the [redacted] were making every effort to keep FARRELL out of the working part of the plant. Also during this time it was reported to him that LEW FARRELL was over-heard by an employee, identity unknown to him, to state that if there was going to be any union at Midwest Burlap and Bag Company it was going to be his union, not otherwise identified.

During his organization contacts with the employees, he cannot recall talking to any employee who was or had been a member of Local 10, Teamsters Union. [redacted] pointed out that he was unaware of any union members being at the plant except some truck drivers employed by Brown Trucking Company, who in turn had a contract to do some of the hauling for the Midwest Burlap and Bag Company.

The first time he learned of an existing union contract between Local 10 Teamsters Union and the Midwest Burlap and Bag Company was when the Textile Union filed for an election and then Local 10 Teamsters filed a notice that they had a contract covering the employees, said filing with the National Labor Relations Board at Minneapolis, Minnesota.

[redacted] had no information showing that FARRELL or any union representative had received any reward or money in connection with the contract between Local 10 Teamsters and the Midwest Burlap and Bag Company. He advised that he believes that LEW FARRELL has been "selling Midwest Burlap and Bag Company protection ever since the strike in 1951." He has no proof of this and same is merely conjecture based on the reputation of FARRELL and FARRELL's

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participation in the negotiations in 1951 and the low-wage scale paid by the Midwest Burlap and Bag Company. He feels that by keeping the "union" out of the plant, Midwest Burlap and Bag Company, can continue to pay "low" wages and that they are paying some of this savings to FARRELL.

As additional background showing FARRELL's association with Midwest Burlap and Bag Company, [] informed that during the 1951 negotiations, [] International Textile Workers Union Organizer, got a call from some Chicago, Illinois, Teamsters Union official, name not known to [] and [] was informed that LEW FARRELL might be able to help settle the matter. [] recalled that FARRELL was contacted and did act as "go-between" between the [] and the Textile Workers Union in the 1951 negotiation. He believes that a Teamsters official from Chicago did come to Des Moines during this time and participated in the negotiation.

It was his understanding that during this negotiation an oral agreement resulted with a promise from the [] that when reduced to writing, it would be signed. The union removed the pickets, but the following day the [] could not be located to sign the contract and, to his knowledge, the contract was never signed.

[] observed that during the Textile Workers strike in 1951, the Teamsters Union members did not recognize the picket line and he believes this must of been the result of FARRELL's contact with Teamsters officials. It might be noted that the Teamsters Union members, referred to by [] were employees of the Brown Trucking Company and not of the Midwest Burlap and Bag Company.

[] also related that during the organization of the plant in 1956, he contacted [] International Teamsters Representative, and told him of the activity, etc., at the Midwest Burlap and Bag Company. [] told him that the Teamsters was suppose to be organizing the Midwest Burlap and Bag Company and that he, [] had requested help from the International Union Teamsters in organizing the plant.

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According to [] on the weekend of March 23, 1957, representatives of the Midwest Burlap and Bag Company, RICHARD KAYNER and others representing Local 10 Teamsters and WILLIAM [] International Representative of the Textile Union Workers met in Omaha, Nebraska, where an agreement was reached for a contract between Midwest Burlap and Bag Company and the Textile Workers Union covering the production workers of said plant.

[] was at this meeting and objected to the wage scale agreed upon as well as the fact that Local 10 Teamsters was allowed to represent any of the employees because it was an Omaha union and not a Des Moines union. He voiced his objection to [] and was informed that "10 was going to stay."

[] related that he had learned that during the summer of 1955, JIMMY HOFFA of the International Teamsters Union, was visiting in Des Moines, Iowa, and at that time stayed with LEW FARRELL and also gave a gift to Mrs. FARRELL of a rosary, received by HOFFA from the Pope.

[] a former employee of the Midwest Burlap and Bag Company, according to [] might have information concerning FARRELL's association with the []

[] related that at one time it was suspected that FARRELL's interest in Midwest Burlap and Bag Company might be that he was using it as a vehicle for some illegal activity such as transportation of narcotics.

[] who was very familiar with the entire plant operations of the Midwest Burlap and Bag Company, advised [] that he knew of no such activity. [] did say that during the war the trucks were used to bring in some illegal liquor but that this was not for FARRELL.

In connection with the allegation that illegal activity might be carried on by the Midwest Burlap and Bag Company, it is to be noted that the Des Moines Police Department Vice Bureau has made some check and has conducted some search of the premises and has failed to develop any evidence concerning this allegation.

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[redacted] West Des Moines, Iowa, informed on [redacted] that he had been employed as [redacted] for the Midwest Burlap and Bag Company for about a [redacted]-year period ending [redacted]. According to [redacted] during the time he was employed, he observed LEW FARRELL contact the [redacted] which visits usually took place in the private offices of the [redacted]. He further observed that visits were not frequent.

It is his recollection that during the summer months of 1956, talk of union activity in the Used Bag Department of the plant came to the attention of the [redacted]. At about this same time, LEW FARRELL showed up at the plant with two individuals and for about a week there appeared to be an increased number of contacts between FARRELL and the [redacted] with additional contacts during this time with the men accompanying FARRELL on the first occasion.

[redacted] never learned the identity of the individuals contacting FARRELL nor the nature of their business. He speculates that it may have had some relation to the negotiation of the contract with Local 10 Teamsters Union.

In his capacity as former accountant, [redacted] knows of no interest FARRELL has in Midwest Burlap and Bag Company and he has never observed any payments to FARRELL either direct or indirect.

Nothing came to [redacted] attention while he was there disclosing that a labor contract had been negotiated, signed or agreed upon. There was no arrangement through him while he was there for a company check-off of union dues.

[redacted] pointed out that many of the company checks were made payable to cash and charged to the promotion account. This money he observed was paid by the salesmen to buyers or sellers as "side payments" for doing business with the Midwest Burlap and Bag Company. He observed that it appears to be

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a very general practice of the industry to make side payments to induce buyers especially with regard to big accounts. He pointed this out, to show that a check of company records to locate any possible payments in connection with the labor contract, would be impossible as the [] are the only persons who know the disposition of the funds disbursed under the notation of cash. Also in this regard, he pointed out that each of the [] officers carries a check book and issues many checks to cash and you would be bound by their oral statement as to the disposition of the funds covering a check issued to cash.

[] of the 7-Up Bottling Company, Des Moines, Iowa, was interviewed on April 2, 1957.

[] informed that in October, 1955, the plant manager of the 7-Up Company at Omaha, Nebraska, contacted him stating that he, the manager, had been contacted by [] representing a labor union and [] had stated to him that the union had organized the plant and was requesting a contract.

[] following this original call from the plant manager, proceeded to Omaha in November of 1955, and as was his usual practice registered at the Blackstone Hotel. On the date of arrival, he was in the dining room when a party told him that an unidentified individual also in the dining room desired to talk with him. [] contacted this party and the person identified himself as [] of the Teamsters Union, an International Organizer. [] mentioned the coming negotiation meeting that morning and with a few other remarks stated that they would meet at the company office later in the day. As the conversation was about to terminate, [] stated []

[] inquired "who?" and [] replied "LEW FARRELE." [] related that [] and another party did contact him at the plant later that day and the negotiations started. [] related that [] made no further contact with him on behalf of the union in connection with any labor contract.

During this contact with [] demanded to see the membership cards to determine that the union had a majority of the company employees. So, [] sent one of the

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individuals accompanying him back to Union Headquarters to secure same but this party reported back that the same were not available and it was agreed that same would be produced before any contract agreed upon. At that time the union was referred to as Local 659 of Omaha, Nebraska, and correspondence in [] possession as of May, 1950, shows [] as Business Agent for 659.

There were subsequent meetings concerning the contract and [] was replaced by RICHARD KAVNER of the Teamsters Union. On one of the visits [] made to Omaha, he visited LEW FARRELL at a hospital in Omaha. He was unable to recall how he learned FARRELL was confined to the hospital and maintained that his visit with FARRELL was merely social in nature. He did observe that he believed FARRELL was in the hospital to receive treatment in connection with injuries incurred when he was injured allegedly in a crash of an United Airliner at Earlham, Iowa. During this visit with FARRELL, the conversation was general in nature and near the end of the visit, FARRELL inquired of [] how he was getting along with his labor negotiation and made a blank offer to help him if needed.

[] stated that during his negotiations with KAVNER, at one meeting KAVNER presented [] with union demands that exceeded those that had been discussed up to that time and seemed to be out of reason. KAVNER informed [] that that was the contract that would be signed.

[] further related that he then returned to Des Moines and called LEW FARRELL, who by that time had returned to his home and told him of KAVNER's position. FARRELL offered to help saying that he knew "KAVNER's boss" a party identified by FARRELL as one GIBBONS and offered to call [] on behalf of []. FARRELL did come to the offices of the 7-Up Company and a call was placed to [] at Teamsters Headquarters in St. Louis, but it was ascertained that [] was not available at that time and it was his recollection that [] may have

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been in Honolulu. Following this, a contract was finally signed with terms nearly the same as the working conditions existing at the plant prior to the organization on behalf of the union. The contract is dated June 1, 1956, effective May 31, 1956, and it was signed June 4, 1956. At the time of signing, the local union representative presenting the contract stated that the union was now Local 10 rather than Local 659. Subject CAPELLUPO signed as Business Agent for Local 10 and KAVNER on behalf of the Central Conference.

[redacted] denied any payment to anyone in connection with the contract.

[redacted] stated that he was unable to advise whether FARRELL had made any other contacts on his behalf in connection with this labor negotiation other than the one phone call above mentioned.

[redacted] was interviewed on April 5, 1957. [redacted] advised that she commenced work at the Midwest Burlap and Bag Company on October 18, 1954, and had been a sewing machine operator in the New Bag Department until October 23, 1955, when she was fired. She speculates that she was fired because she was active in obtaining union membership in the Textile Workers Union at the plant.

She stated that it was her recollection at this date, that at about the time she was active in securing members for the Textile Workers Union, she saw an individual at the plant in contact with the [redacted] who she now believes was RICHARD KAVNER.

[redacted] stated that she had never heard nor had she seen FARRELL contact any of the production employees at the plant and, in fact, had never seen FARRELL at the plant property.

She advised she heard that LEW FARRELL had been in contact with the [redacted]

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[redacted] further informed that during the time that she was active in securing members for the Textile Workers Union she at no time heard of or talked to any individual at the plant who reported that he or she was a member of Local 10 Teamsters Union. She stated that she knew of no union members at the plant with the exception of possibly some truck drivers, who at that time were employed by the Brown Trucking Company.

She advised that it was possible that [redacted] [redacted] who reside on Broadway here in Des Moines, may have some information concerning the activity of Local 10 Teamsters Union, an organization at the plant; that she understood they told [redacted] [redacted] that her husband [redacted] was a member when in fact he was not and thereby secured her membership in Local 10.

[redacted] stated that she has been re-employed following the National Labor Relations Board hearing concerning her dismissal and that she is now a member of the Textile Workers Union. She states that a Textile Workers Union contract has been signed with Midwest Burlap and Bag Company and it is her understanding that they received a two-year contract with a five cents an hour pay increase.

[redacted] related that her present salary scale is \$1.10 per hour with a piece-work basis on all bags sewed above 3,000 a day. The piece-work rate is fifteen cents per hundred for bags between 3,000 and 3,500 and thirty cents per hundred for bags above 3,500. She stated that at one time the [redacted] were interested in adopting a piece-work pay scale and were going to utilize her as a pay setter but she refused to allow them to do this, pointing out that on occasions she has sewed as high as 7,000 bags per day.

She stated that the following employees were very friendly with the [redacted]

[redacted] foreman, who resides at [redacted]
[redacted] who resides on [redacted]
[redacted] who
reside on [redacted] all employees in the
New Bag Department.

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[] advised that she has no information concerning any payments to FARRELL or to anybody in connection with a labor contract. She pointed out that she was unaware of any labor contract existing at the plant at the time of her dismissal, October 23, 1955. She stated she has learned since return to work that certain of the employees were called into the office at about the time of the National Labor Relations Board hearing and informed that a contract did exist with Local 10 of the Teamsters Union.

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LEADS

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AT OMAHA, NEBRASKA:

Will analyze the existing bank accounts of PETER C. CAPELLUPO to determine if there could be any funds that might be traceable to the Midwest Burlap and Bag Company.

AT DES MOINES, IOWA:

- (1) Will conduct a like examination of any bank accounts maintained by LEW FARRELL for the discovery of funds that might have come into his hands from Midwest Burlap and Bag Company.
- (2) Will interview [redacted] for any information he may have concerning FARRELL's association or possible contact with the [redacted]
- (3) Will consider advisability of interviewing additional employees of the plant to ascertain if LEW FARRELL was active in recruiting members for Local 10 as alleged by Confidential Informant OM T-1 in the report of SA ROY W. MEADOWS, dated 3/21/57, at Omaha, Nebraska.
- (4) Will identify and interview [redacted] residing on [redacted] Des Moines, Iowa, for any information they may have concerning the organizational activities of Local 10 Teamsters Union at the Midwest Burlap and Bag Company.

REFERENCE

Report of SA ROY W. MEADOWS, dated 3/21/57, at Omaha.

ADMINISTRATIVE PAGE

FEDERAL BUREAU OF INVESTIGATION

Reporting Office OMAHA	Office of Origin OMAHA	Date 6/4/57	Investigative Period 4/18,19,22-25; 5/2,3,13,21,25/57
TITLE OF CASE MIDWEST BURLAP AND BAG COMPANY. Des Moines, Iowa:		Report made by <div style="border: 1px solid black; width: 100px; height: 20px;"></div>	Typed By: mdr
PETER C. CAPELLUPO, wa. Pete Capellupo; RICHARD KAVNER; LEW FARRELL, was., Louis Fratto, Lew Farrelli		CHARACTER OF CASE LABOR MANAGEMENT RELATIONS ACT - 1947 (INVESTIGATIVE MATTER)	

Synopsis:

Bank records, Des Moines, Iowa, and Omaha, Nebraska, disclose subject FARRELL has checking account with Bankers Trust Company, Des Moines, and subject CAPELLUPO has accounts with U. S. National Bank, Omaha. Identifiable items in deposits of FARRELL account set forth; CAPELLUPO account has small balance and not further reviewed. Former plant superintendent, Midwest Burlap and Bag Company, advised FARRELL visited company offices almost daily during fall of 1956.

DETAILS:

The following investigation was conducted by SA DALE F. MORITZ:

AT OMAHA, NEBRASKA

Confidential Informant Omaha T-1, a prominent businessman in Omaha, Nebraska, advised on May 2, 1957, the PETER CAPELLUPO family maintains the following accounts at the U. S. National Bank, Omaha, Nebraska. The amounts set forth are the account balance as they existed on April 30, 1957:

Approved <i>[Signature]</i>	Special Agent in Charge	Do not write in spaces below	
Copies made: 2 - Bureau	6/24/57 6/24/57 6/24/57	122-2064-6	SE 50
<div style="border: 1px solid black; padding: 5px;"> 1 - USA, Des Moines, Iowa 3 - Omaha (122-44) CC 10 </div>	<div style="border: 1px solid black; padding: 5px;"> 0-1 OM 0-1 C3 CC 10 REQ. EC'D 6/24/57 </div>	<div style="border: 1px solid black; padding: 5px;"> 6 JUN 7 1957 RECORDED - 50 E 4 07 </div>	
<div style="border: 1px solid black; padding: 5px;"> 309 53 JUN 25 1957 </div>	<div style="border: 1px solid black; padding: 5px;"> ANS. BY: <i>[Signature]</i> </div>	<div style="border: 1px solid black; padding: 5px;"> STAT. SEC. AGENCY FILE - 115- REQ. REC'D 8-28-58 REP'D FORW. 9-8-58 BY: <i>[Signature]</i> </div>	

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\$ 34.90	Savings Account (PETER CAPELLUPO and [REDACTED])
103.08	Checking Account (PETER CAPELLUPO and [REDACTED])
115.00	Savings Account [REDACTED]

On May 2 and 3, 1957, it was ascertained neither PETER CAPELLUPO nor any member of his family maintains either a checking or a savings account at the following Omaha banks:

The Omaha National Bank;
The Packers National Bank;
The South Omaha Bank;
The Stock Yards National Bank;
The North Side Bank;
The First National Bank;
The Center Bank.

Due to the small balance maintained in the accounts of PETER CAPELLUPO and family at the U. S. National Bank, it does not appear that an appraisal of these accounts is warranted or justified.

The following investigation was conducted by SA LAWRENCE D. WELCH:

AT DES MOINES, IOWA

Investigation was conducted on April 19, 22, 23, 24, 25, and May 13, 1957, at the following Des Moines banks to locate accounts of LEW FARRELL:

Iowa-Des Moines National Bank;
Valley Bank and Trust Company;
Central National Bank;
Bankers Trust Company;
Capital City State Bank;
Iowa State Bank;
First Federal State Bank;
State Bank of Des Moines in Beaverville;
First National Bank of West Des Moines;
West Des Moines State Bank;
National Bank of Des Moines;
Highland Park State Bank.

Confidential Informant Omaha T-2, a reputable businessman, contacted April 22, 23, 24, May 3, and 13, 1957, in this matter, advised the Bankers Trust Company has a checking account entitled "LEW or [REDACTED] FARRELL" 1115 Caulder, Des Moines, Iowa.

Details concerning deposits in this account during 1956 are as follows:

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<u>DATE</u>	<u>AMOUNT</u>	<u>DESCRIPTION</u>
January 30, 1956	\$ 658.00	\$500.00 in currency, balance is 11 small checks each less than \$50.00.
February 6, 1956	200.00	Currency
February 16, 1956	1,200.00	Currency
March 14, 1956	500.00	\$700.00 check less \$200.00 received in cash
April 13, 1956	92.00	Check
May 4, 1956	1,098.58	Two checks; \$1,000.00 and \$98.58
June 20, 1956	300.00	Check
July 19, 1956	1,775.10	Two checks; \$1,275.10 and \$500.00
September 17, 1956	300.00	Currency
September 25, 1956	200.00	Currency
October 29, 1956	500.00	Check
December 26, 1956	105.00	Currency
December 31, 1956	1,050.00	Currency
 TOTAL	 \$ 7,978.68	

Low balance in the account was less than \$100.00; high balance was approximately \$2,000.00; average balance approximately \$500.00. Currency included in the above deposits totals \$3,530.00.

T-2 advised he was able to trace and identify three of the checks in the above deposits and no attempt was made to trace checks of less than \$100.00. Details concerning the three checks are as follows:

\$700.00 check in deposit of March 14, 1956, # 5325, dated March 9, 1956, drawn on account of Superior Sales Company with First Federal State Bank, Des Moines, Iowa, signed [redacted] and payable to [redacted]. It is endorsed by [redacted] and second endorsement is LEW. FARRELL. A photostat copy of this check was obtained.

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OM 122-44

\$1,275.10 check in deposit of July 19, 1956, is on the Connecticut Life Insurance Company Premium Account, payable to LEW FARRELL. No photostat of this check was obtained.

\$500.00 check in deposit of July 19, 1956, is a draft, # C 1999, payable to LEW FARRELL, signed [redacted] of South Omaha Bank, Omaha, Nebraska, and drawn on the United States National Bank, Omaha, Nebraska. The draft is dated July 17, 1956, and was purchased by [redacted]. The draft is endorsed LEW FARRELL. A photostat of the draft was obtained.

The following investigation was conducted by SA [redacted]
[redacted]

AT DES MOINES, IOWA

[redacted] on May 25, 1957, advised he was employed by the Midwest Burlap and Bag Company, Des Moines, Iowa, for a period of approximately [redacted] on about December 8, 1956. He stated for about the last year of his employment he was [redacted] and as such was in [redacted] of the production employees of that company.

In connection with the remarks of [redacted] it will be noted he expressed considerable dislike and bitterness toward the owners of the Midwest Burlap and Bag Company, specifically [redacted]. [redacted] talked at considerable length of the unfair treatment received by him from this company, both while he was employed by that company and at the present time in his present position of being employed by a competitor of the Midwest Burlap and Bag Company. [redacted] further expressed unfavorable opinions of the treatment received by the other employees of the Midwest Burlap and Bag Company, stating in effect that the employees are overworked and underpaid and "treated like animals."

In regard to instant matter, [redacted] advised he had no information that payment of any kind was made by the Midwest Burlap and Bag Company or any of its officers or owners to LEW FARRELL, RICHARD KAVNER, PETE CAPELLUPO, or to any other union official. He stated he had noticed, however, that LEW FARRELL had made frequent visits to the plant beginning in about October, 1956. He stated the visits were almost a daily occurrence and had begun at about the same time the [redacted] brothers had learned that the Textile Workers Union was working among the employees of the company in an effort to organize the employees into that union. GOODSIDE stated he had never seen FARRELL make any approaches to any of the employees and to the best of his knowledge, FARRELL would confine his visits to the private offices of the [redacted] brothers.

OM 122-44

[] advised he has not had any direct contact with the Midwest Burlap and Bag Company since the day he resigned, on about []. He stated he, therefore, had no direct knowledge of any events which may have taken place at the company after that time, but in visiting with former acquaintances who were still employed by the company at that time he had heard stories to the effect that some of the employees had been called in by the [] and asked to join Omaha Local 10 of the Teamsters Union. He stated it was his understanding that the employees who were called in for this purpose were the "pets" of the [] and who were thus regarded by the [] as trustworthy. He stated he would doubt that any of these employees, even if identified, would willingly provide information concerning this matter.

[] stated that among those employees who might be able to provide information pertinent to this matter are the following:

[] (phonetic), known as [] employed as a commercial artist; [] employed in the maintenance department, and [] residing at [] Des Moines.

A review of the Des Moines Telephone and City Directories has failed to locate any listings for []

Inquiry of [] Credit Bureau of Des Moines, on May 21, 1957, disclosed no listing maintained by that bureau which is identifiable with [] residing on [] Des Moines, Iowa.

- P -

OM 122-44

ADMINISTRATIVE

No inquiry is contemplated regarding the \$700.00 check endorsed to FARRELL by [] in view of date of deposit of such check being March 14, 1956, which date is substantially prior to date of alleged dealings between FARRELL and [] family.

INFORMANTS

Confidential Informant Omaha T-1 is []
[] U. S. National Bank, Omaha, Nebraska,
contacted on May 2, 1957, by SA [].

T-2 is [] Bankers Trust Company,
Des Moines, Iowa, contacted []
by SA LAWRENCE D. WELCH.

LEADS

OMAHA

AT OMAHA, NEBRASKA

Will develop background information regarding []
[] who on July 17, 1956, purchased a \$500.00 draft payable
to LEW FARRELL. Will determine reason for such payment from
[] to FARRELL.

AT DES MOINES, IOWA

Will identify and interview following employees of the
Midwest Burlap and Bag Company, Des Moines:

[] (phonetic), known as [] commercial artist;
[] employed in maintenance department;
[] Des Moines.

REFERENCE

Report of SA ROY W. MEADOWS dated April 26, 1957, at Omaha.

ADMINISTRATIVE PAGE

Office Memorandum • UNITED STATES GOVERNMENT

TO : DIRECTOR, FBI -122-2064

FROM : SAC, OMAHA (122-44)

DATE: 7/11/57

b6
b7c

SUBJECT: MIDWEST BURLAP AND BAG COMPANY,
Des Moines, Iowa; ET AL
LMRA, 1947 (INVESTIGATIVE MATTER)

Re report of SA [] dated 6/4/57 at
Omaha.

Report will be delayed due to difficulty in locating
and interviewing employees of subject company but will be
submitted to reach Bureau by 7/17/57.

- (2) - Bureau
1 - Omaha (122-44)

RCM:db
(3)

RECORDED - 40

122-2064-7
16
13 JUL 15 1957

31

250
53 JUL 22 1957

EX-131
JUL 12 1957
FEDERAL BUREAU OF INVESTIGATION
U.S. DEPARTMENT OF JUSTICE

Office Memorandum • UNITED STATES GOVERNMENT

TO : DIRECTOR, FBI

DATE: 7/16/57
GIR 111b6
b7C

FROM : SAC, OMAHA (122-44)

SUBJECT: MIDWEST BURLAP AND BAG COMPANY.

Des Moines, Iowa: [REDACTED]

[REDACTED]

PETER C. CAPELLUPO, wa. Pete Capellupo;
 RICHARD KAVNER; LEW FARRELL, was. Louis
 Fratto, Lew Farelli
 LABOR MANAGEMENT RELATIONS ACT - 1947
 (INVESTIGATIVE MATTER)

Re Omaha report of SA [REDACTED] dated 7/16/57

The following is the administrative data for rerep:

INFORMANT:

T-1, who has furnished reliable information in the past,
 is [REDACTED] and Cashier of
 the South Omaha Bank, Omaha, Nebraska, interviewed 6/25/57
 by SA [REDACTED]

LEAD:OMAHA:AT DES MOINES, IOWA:

Will recontact USA [REDACTED] on or about 7/26/57
 for opinion as to whether or not investigation to date has
 disclosed any Federal violation.

REFERENCE:

Omaha report of SA [REDACTED] dated 6/4/57

2 - Bureau (Encls. 2) (AMSD) 45
 2 - Omaha
 RCM:per
 (4)

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122-2064-6
122-2064-8
JUL 19 1957
7/17
02 AUG 2 1957

FEDERAL BUREAU OF INVESTIGATION

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Reporting Office OMAHA	Office of Origin OMAHA	Date 7/16/57	Investigative Period 5/31; 6/25, 28; 7/2, 3, 5, 8-11/57
TITLE OF CASE MIDWEST BURLAP AND BAG COMPANY, Des Moines, Iowa		Report made by <div style="border: 1px solid black; width: 150px; height: 20px;"></div>	Typed By: per
CHARACTER OF CASE LABOR MANAGEMENT RELATIONS ACT - 1947 (INVESTIGATIVE MATTER)		SEE REVERSE SIDE FOR ADD. DISSEMINATION.	
Synopsis: PETER C. CAPELLUPO, wa. Pete Capellupo; RICHARD KAVNER; LEW FARRELL, was. Louis Fratto, Lew Farrelli			

Employees of subject company interviewed. Assistant Superin-
tendent of Production, advised recalls LEW FARRELL visited
company offices frequently during 12/56; that several production
employees interviewed one by one by in
1/57 or early 2/57 and requested to join a union, presumably
Omaha Local 10 of the Teamsters; stated had no information
that any payoffs made by company officials. Production
employees who were interviewed by as indicated
above, advised were requested to join Omaha Local 10 of
the Teamsters; that only and
office girl present when so requested; advise have no reason
believe any payoffs made; state were never approached by
FARRELL or any union official re Omaha Local 10; estimate
total number of employees joining Omaha Local 10 at that
time as about five or six employees.
filing clerk, switchboard operator at subject company, advised
FARRELL frequent visitor at plant from about 10/56 to 2/57
but confined visits to private offices of
recalls frequent telephone calls to PETE CAPELLUPO, possibly
to RICHARD KAVNER; stated through her various duties had
knowledge of visitors, callers and correspondence and has
no reason to believe any payoff made by company officials

Approved <div style="border: 1px solid black; width: 100px; height: 20px;"></div>	Special Agent in Charge <div style="border: 1px solid black; width: 100px; height: 20px;"></div>	Do not write in spaces below	
Copies made: ② - Bureau (AMSD) 1 - USA, Des Moines 2 - Omaha (122-44)		122-2064	9
1 CC RAB		RECORDED-45	
FEB 5 1962			
BY: <i>[Signature]</i>			

OM 122-44

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to union officials or to FARRELL. [redacted] Omaha, Nebraska, contractor, purchased bank draft for \$500.00 on 7/17/56 payable to FARRELL; [redacted] convicted on two counts of income tax evasion in USDC, Omaha, in 1955. Criminal record and description of RICHARD KAVNER set forth.

- P -

DETAILS: AT DES MOINES, IOWA

FEDERAL BUREAU OF INVESTIGATION
INTERVIEW REPORTb6
b7c

[redacted] Des Moines, Iowa, on July 2, 1957, advised he is the Assistant Superintendent of Production at the Midwest Burlap and Bag Company of Des Moines, and also does design work there for the new burlap bags produced by the company. He stated he is sometimes referred to as [redacted] stated he has been employed by this company for several years and has been a social acquaintance of [redacted] having attended high school with that individual. He further stated his desk is located in the main office area of the company building and that all visitors to the private office occupied by [redacted] must pass through the office area in which his desk is located.

[redacted] advised he is aware the [redacted] are not always quite ethical in their dealings with employees or competitors and that his school association with [redacted] has not blinded him to this situation. He stated he was aware of the newspaper publicity which broke locally about the middle of February, 1957, in regard to the labor union problems at that company and was generally aware that labor difficulties had been experienced by the company management. He stated, however, that he was not sufficiently cognizant of the inner operations of the company to be aware of any dealings the [redacted] family may have had with union representatives or with LEW FARRELL. He stated he recalls FARRELL being at the plant frequently during approximately December, 1956, and that FARRELL spent all of his time in the private office of [redacted] and [redacted].

[redacted] stated he recalled that just prior to the newspaper publicity referred to above, that several of the production employees were called into the private office of [redacted] and [redacted]. He stated the employees were called in one by one and that he had inquired of several of these employees about it. They had been told they were being asked by the [redacted] to join a union. He stated he presumes the union referred to was Omaha Local 10 of the Teamsters Union inasmuch as the newspaper publicity had referred to that particular union. [redacted] stated he could not remember if FARRELL was present on that day or not.

[redacted] stated he did not have any information, either direct or by rumor, that company officials or any of their representa-

- 3 -

Interview with [redacted] File # 122-444

on 7/2/57 at Des Moines, Iowa

by Special Agent [redacted]

tives had made any payoff to union representatives or
to LEW FARRELL.

FEDERAL BUREAU OF INVESTIGATION
INTERVIEW REPORTb6
b7C

[redacted] Des Moines, Iowa, on July 3, 1957, advised she is employed in the production department of Midwest Burlap and Bag Company, Des Moines, Iowa, and has been so employed for several years. She stated she has no connection with the administrative or executive functions of that company and is not a personal associate of any of the officials of the company. She stated she has no knowledge of any arrangements which may have been made in regard to contacts with the officials of the company and union representatives. She stated she does not know LEW FARRELL and would not recognize him if he had been in the plant. She stated she has no information, either direct or indirect, which would indicate any payoffs by company officials to union officials or to LEW FARRELL. She stated she had heard from [redacted] one of the production workers, that LEW FARRELL was involved in some way with the union activities in that plant.

[redacted] stated she recalls that in about February or March, 1957, she was called into the private office of the [redacted] and asked to sign up in a union which [redacted] said was going to represent the workers of that company. She stated she remembers that it was a Teamsters Union Local and that she wondered at the time why a union which she regarded as primarily connected with truck drivers would be chosen to represent workers in her line of work. She stated she did sign up as requested by [redacted] but was called back into [redacted] office about a week later and requested to sign up again, at which time she refused, having discussed the matter with her husband in the meantime. [redacted] stated that only [redacted] was present on the first occasion and on the second occasion, there were [redacted] their [redacted] present. She stated other workers were called in to sign up on these same occasions and that some did sign up and others did not. She stated there was no stranger present on either occasion when she was requested to sign up with the Teamsters Union.

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Interview with [redacted] File # 122-44
on 7/3/57 at Des Moines, Iowa
by Special Agent [redacted]

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FEDERAL BUREAU OF INVESTIGATION
INTERVIEW REPORT

[redacted], Des Moines, Iowa, on July 8, 1957, advised she has been employed by the Midwest Burlap and Bag Company for about three and one-half years as a turner in the production department of the company. She stated she knew nothing about the company arrangements with Omaha Local 10 of the Teamsters except that a few weeks before the newspaper publicity in February, 1957, she had been called in to the private offices of the [redacted] and there told the company had signed a contract with Local 10 to represent the employees and at that time, asked to sign up as a member of Local 10. She stated she did sign up and that a portion of her pay was withheld for approximately eight weeks for dues to Local 10 until a contract was signed with the Textile Workers Union and her payments to Local 10 refunded.

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She stated present in the office at the time she signed up were [redacted] and one of the office girls. [redacted] stated she believes a total of five or six of the women employees were signed up in this manner and that this comprised the total membership in Local 10 at that company. [redacted] stated she did not know LEW FARRELL and had no reason to believe he was involved in this matter.

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Interview with [redacted] File # 122-44

on 7/8/57 at Des Moines, Iowa

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by Special Agent [redacted]

FEDERAL BUREAU OF INVESTIGATION
INTERVIEW REPORTb6
b7C

[redacted] Des Moines, Iowa, on July 8, 1957, advised she has been employed by the Midwest Burlap and Bag Company for almost a year as a turner in the production department of the company. She stated she had no knowledge of union activities in that company outside of two experiences with the [redacted]. She stated approximately [redacted] the newspaper publicity in February, 1957, she was asked by [redacted] to sign up with Omaha Local 10 of the Teamsters, but refused to do so on advice of her husband. She stated several weeks later she was called into the private office of the [redacted] and again asked to sign up with Omaha Local 10 of the Teamsters and again refused. She stated on this second occasion, there were present [redacted] and one of the office girls, name unknown. She stated she was never approached in regard to Local 10 by any union official or by anyone outside of the two incidents referred to above. [redacted] stated she had heard the name LEW FARRELL mentioned in the plant, but cannot now recall in what connection. [redacted] stated she believed only four or five employees ever signed up with Local 10.

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Interview with [redacted] File # 122-44

on 7/8/57 at Des Moines, Iowa

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b7C

by Special Agent [redacted]

FEDERAL BUREAU OF INVESTIGATION
INTERVIEW REPORTb6
b7C

[redacted] also known as [redacted] Waukeee, Iowa, on July 9, 1957, advised she has been employed by the Midwest Burlap and Bag Company of Des Moines, Iowa, since June 13, 1956, and that while her title there is "Receptionist" she also operates the company telephone switchboard and acts as filing clerk, handling all company correspondence. She stated she recalls the union difficulties which occurred during the winter of 1956-1957 and remembers that when the [redacted] learned that the Textile Workers Union had been organizing among the employees, there had been considerable excitement and anger expressed by the [redacted]. She stated she can recall making frequent telephone calls to PETE CAPELLUPO and to LEW FARRELL and recalls the name of RICHARD KAVNER as being in some way connected with the telephone calls. [redacted] explained that by "making ... telephone calls" to the above-named persons, she performed the function of establishing telephonic contact with these persons at the request of one of the [redacted] but did not do any speaking to them. She stated she cannot recall dates of these telephone calls but would estimate they occurred during the period October, 1956, to February, 1957. She stated it was also during this same period that LEW FARRELL was a frequent visitor to the company, stopping at the office at various hours of the day and spending his time in the private offices of the [redacted]. She stated she did not know why FARRELL was there and could recall wondering what his function might be.

[redacted] stated she could recall the day when the employees were called into the [redacted] office one by one and there were talked to in private. She stated she did not know why this was done, but recalls that it occurred before the newspaper publicity of middle February, 1957.

[redacted] stated in her multiple capacity as receptionist, switchboard operator, and filing clerk, she had never seen or heard anything which would indicate any money was ever paid by company officials to FARRELL, KAVNER, or CAPELLUPO.

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Interview with [redacted] File # 122-44

on 7/9/57 at Waukeee, Iowa

by Special Agent [redacted]

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OM 122-44

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[redacted] Des Moines, Iowa, on July 8, 1957, advised he has been employed by the Midwest Burlap and Bag Company for about [redacted] years and is now the [redacted] there. [redacted] stated he is sometimes referred to as [redacted]. He stated in his position he has no connection with the administration of the company and has not been involved in any union activities. [redacted] stated most of what he knew about the union matters at that company, he had learned by reading the local newspapers and he just had no interest in the situation. [redacted] stated he recalled hearing that LEW FARRELL used to be around the plant but other than that he had no information to offer.

[redacted] Des Moines, Iowa, advised on July 2, 1957, [redacted] and normally resides at that address, but had not been home for several weeks and apparently was no longer employed by the Midwest Burlap and Bag Company. She stated she did not know where he was living or if he was even in Des Moines, Iowa.

The following investigation was conducted by SA [redacted]

AT OMAHA, NEBRASKA

FEDERAL BUREAU OF INVESTIGATION
INTERVIEW REPORT

Confidential Informant Omaha T-1 on June 25, 1957, advised records of the South Omaha Bank, Omaha, Nebraska, disclose that JOHN P. MAINELLI purchased a draft, Number 61999, on July 17, 1956, in the amount of \$500.00, from the South Omaha Bank, drawn on the U.S. National Bank, Omaha, Nebraska, payable to the order of "LOU" FARRELL. This draft bore the endorsement of "LEW" FARRELL. The draft was signed [redacted] identified by T-1 as an employee of the South Omaha Bank who handles the sale of bank drafts. T-1 identified MAINELLI as the President of the Mainelli Construction Company, Omaha. He stated MAINELLI maintained a personal joint checking account at that bank with his wife and that the balance in the account of June 25, 1957, was \$418.12.

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-10-

Interview with Confidential Informant Omaha T-1 File # 122-111on 6/25/57 at Omaha, Nebraskaby Special Agent [redacted]b6
b7C

OM 122-44

On June 25, 1957, [redacted] Associated Retail Credit Bureau, Omaha, Nebraska, advised the files of this agency disclose that JOHN P. MAINELLI resides at [redacted] and is the [redacted] of the Mainelli Construction Company. He lists his dependents as [redacted] and six children. A Dun and Bradstreet Report, received by the Credit Bureau on June 30, 1944, stated that MAINELLI contracts to do construction work at one of the Omaha meat packing plants. He has given up jobs in the past without notice. His pay record is satisfactory and his net worth in 1944 was \$20,000.00.

The Omaha World-Herald contained an item on February 3, 1955, which stated MAINELLI had been fined for income-tax evasion. MAINELLI pleaded no defense to two of six counts and the other four counts were dismissed at the request of the United States Attorney. MAINELLI was fined \$7,500.00 and costs on these two counts. The total amount evaded on the two counts totaled \$45,897.00.

Associated Retail Credit Bureau records stated MAINELLI owns his own home in a good residential district and the Credit Bureau is in possession of no information other than the tax case, mentioned above, reflecting adversely upon his reputation. MAINELLI is presently 62 years of age, having been born October 15, 1894.

[redacted] Traffic Bureau, Omaha Police Department, advised on June 28, 1957, that the files of this Bureau disclose JOHN P. MAINELLI was arrested July 18, 1946, for speeding and fined \$2.50 and costs.

Sergeant [redacted] Identification Bureau, Police Department, Omaha, Nebraska, and Lieutenant [redacted] Douglas County Sheriff's Office, advised on June 28, 1957, the files of their respective offices contain no arrest record for MAINELLI.

OM 122-44

Information provided by the St. Louis Division of the FBI by communication dated June 26, 1957, disclosed RICHARD KAVNER in 1954 was reported to be the Business Representative of the St. Louis Truck Drivers Union, Local 600, affiliated with Teamsters Joint Council 13 and that on May 20, 1954, KAVNER, along with others, was indicted by a Federal Grand Jury for violation of Title 18, Section 1951, U.S. Code, in a case wherein allegation had been made that ten members of Local 405, St. Louis Cab Drivers Union, also affiliated with Teamsters Joint Council 13, had demobilized cabs according to a prearranged plan. Original information developed indicated KAVNER had participated in making these plans; however, after KAVNER and other subjects were arrested, witnesses refused to positively identify KAVNER as having been present at the meeting where the plans were made. On November 12, 1954, this indictment was dismissed on a defense motion that it failed to allege robbery or extortion.

FBI Identification Record dated June 4, 1954, pertaining to RICHARD KAVNER, FBI #469 760 B, listed the following information:

CONTRIBUTOR OF FINGERPRINTS	NAME AND NUMBER	ARRESTED OR RECEIVED	CHARGE	DISPOSITION
PD Indianapolis	RICHARD KAVNER #115119	2/7/52	trespass	3/3/52 Rearrest
PD St. Louis Mo.	RICHARD KAVNER #-----	10/21/53	invest	
PD St. Louis Mo.	RICHARD KAVNER #69620	12/6/53	mal of prop	
USM St. Louis Mo.	RICHARD KAVNER #14325	5/24/54	Title 18 Sec 1951 USC	

Description of KAVNER as provided by the St. Louis Division is as follows:

OM 122-44

Race	White
Sex	Male
Born	November 16, 1912, New York City, New York
Residence	1954 - 466 Julian, Kirkwood, Missouri
Height	5'10"
Weight	200 pounds
Eyes	Brown
Hair	Brown, partially bald
Scars	Large deep scar on the right of his forehead
U.S. Marshal Number	14325

The facts of this case and information developed to date were discussed with U.S. Attorney [redacted] Des Moines, Iowa, on July 9, 1957, at which time he advised he desired to review the entire file concerning this and related matters before deciding whether, in his opinion, any violation of Federal Law had occurred in this or related cases. [redacted] stated he would not be able to complete this review until on or about July 26, 1957.

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FEDERAL BUREAU OF INVESTIGATION

Reporting Office OMAHA	Office of Origin OMAHA	Date 8/20/57	Investigative Period 8/15/57
Title of Case MIDWEST BURLAP AND BAG COMPANY, DES MOINES, IOWA:		Report made by <div style="border: 1px solid black; width: 150px; height: 20px;"></div>	Typed By: JJ
<div style="border: 1px solid black; width: 200px; height: 50px;"></div>		CHARACTER OF CASE LABOR MANAGEMENT RELATIONS ACT OF 1947 (INVESTIGATIVE MATTER) <div style="float: right; text-align: right;"> 2-1 8-1 2-1 6-1 4-1 </div>	
ETHER C. CAPELLUPO, wa.; RICHARD KAVNER; LEW FARRELL, was.			

J. S. Attorney, Des Moines, Iowa, advised no Federal violation disclosed in investigation and prosecution declined.

- C -

SEE REVERSE SIDE FOR
ADD. DISEMINATION

DETAILS:

The facts of this case were discussed with U. S. Attorney Des Moines, Iowa, on August 15, 1957, at which time he stated a review of the files failed to disclose any violation of Federal law involved which would warrant prosecution and, in his opinion, no further investigation was warranted.

AGENCY *photo - 115 - Omaha*
 REQ. REC'D *8-28-58*
 REP'T FORW. *9-8-58*
 BY *W. H. ...*

CC TO *Chgo. Dept. Commerce*
 REQ. REC'D *1-31-62*
 FEB 9 1962
 ANS.

Approved	BY <i>[Signature]</i>	Special Agent in Charge	Do not write in spaces below
copies made: (2) - Bureau 1 - USA, Des Moines 1 - Omaha (122-44)		122-2064-10 RECORDED 137 16 AUG 22 1957 JWA TO 1210	

1 cc RAB
8/27/57

STAT. SECT.

Office Memorandum • UNITED STATES GOVERNMENT

From: SAC, *Omaha* (Your file *122-44*) DATE: *August 7, 1957*

To: Director, FBI/Room 4716 (Bufile and serial *122-2064-9*)
Midwest Rurlop & Bag Co., et al.

SUBJECT: *2 MPA 1947 (1A)*

Office of Origin: *Omaha*

1. () The deadline in this case has passed and the Bureau has not received a report. You are instructed to submit a report immediately. In the event a report has been submitted, you should make a notation of the date on which it was submitted on this letter and return it to the Bureau, Room No. *4716*.

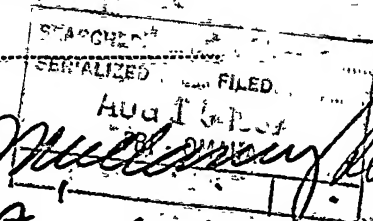
Report submitted _____

Report will be submitted *by 8/21/57*

Reason for delay _____

2. () Advise Bureau re status of this case.
3. () Advise Bureau when report may be expected.
4. (☒) Surep immediately. *reflecting USA's opinion*

(Place your reply on this form and return to the Bureau. Note on the top serial in the case file the receipt and acknowledgment of this communication.)



GIR 1

Office Memorandum • UNITED STATES GOVERNMENT

TO : DIRECTOR, FBI

DATE: 8/20/57

FROM : SAC, OMAHA (122-44)

b6
b7cSUBJECT: MIDWEST BURLAP AND BAG COMPANY,
DES MOINES, IOWA:

PETER C. CAPELLUPO, wa.;
RICHARD KAVNER; LEW FARRELL, was.
LMRA OF 1947 (INVESTIGATIVE MATTER)
(Omaha - 00)

Enclosed is report of SA [] dated
August 20, 1957, at Omaha.

The following is the administrative data for rerep:

REFERENCE

Report of SA [] dated July 16, 1957,
at Omaha.

137
ENCLOSURE

2 - Bureau (encls. 2)
1 - Omaha
RCM/jj
(3)

RECORDED 137

122-2064-11

16 AUG 23 1957

65 AUG 28 1957